

*accountable
and efficient*

High-Value Urban Properties

IN THE State's Inventory

*put people
first*

A REPORT

TO THE GOVERNOR

IN ACCORDANCE WITH EXECUTIVE ORDER S-10-04

*save taxpayers
dollars*

*visionary and
innovative
productive
and performance-based*

A REPORT OF THE CALIFORNIA PERFORMANCE REVIEW

A Report to the Governor

High-Value Urban Properties in the State's Inventory

In Accordance with Executive Order S-10-04

A Report of the California Performance Review



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California Performance Review

Bringing California Back

Accountability



Dear Governor Schwarzenegger:

Pursuant to Executive Order S-10-04, the California Performance Review is pleased to present our report to you of potentially high-value urban properties owned by the State. We identified nearly 50 properties across the state which warrant additional evaluation or disposal efforts. Based on our preliminary assessment, redevelopment or disposition of these properties would unlock \$1.6 billion to \$4.3 billion in value, depending on future zoning and entitlement provisions.

Clearly, restructuring the State's real property portfolio holds the prospect of generating billions of dollars in new revenues, as well as stimulating local economic development and assisting in the task of aligning state revenues and expenditures. Most importantly, restructuring the State's asset portfolio and the reuse or disposal of properties that are surplus or underutilized will ensure proper management and full utilization of those assets which the State retains. In doing so, state government can take an important step toward ensuring that California taxpayers receive the highest quality services at the lowest possible cost.

The sheer size, scope and dispersion of State-controlled real estate among agencies and departments have historically served as a formidable deterrent to properly managing these valuable assets and ensuring that they fully support state goals. The State's portfolio of real property assets has suffered for many years from a lack of a strategic framework to guide decision making, as well as a number of statutory barriers that make efforts to dispose of unneeded assets difficult and time consuming.

Real property assets should be recognized as tools to deliver specific programmatic goals of the State. Real estate and its management will be a central task of some departments while playing a support function for others. Strategies to acquire, manage, use, and dispose of real property should be tailored to the needs of the individual department, program, and even the facility, while emerging from a common performance-based framework.

Divesting surplus or underutilized assets is only one element of a broader goal. The State must also reform its policies, tools and management of real estate. We have outlined what we see to be the most important recommendations to create a responsive, accountable and efficient asset management system. These recommendations complement the comprehensive discussion of real property elsewhere within the California Performance Review's report and reorganization plan.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Chon Gutierrez". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Chon Gutierrez
Co-Executive Director
California Performance Review



**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**



**EXECUTIVE ORDER S-10-04
by the
Governor of the State of California**

WHEREAS, on behalf of all Californians, the State of California owns and leases real property assets used for diverse public purposes, including, but not limited to, university campuses, highways, parks, correctional facilities, flood control levies, water storage and conveyance facilities, mental health hospitals, developmental centers, veterans homes, state fairs, fire stations, forensic laboratories, and office buildings; and

WHEREAS, a partial listing of these assets includes:

- ° 33 university campuses encompassing 6,300 buildings and 69 million square feet of structural space;
- ° 50,000 lane-miles of highways and 12,000 bridges;
- ° 33 adult prisons, nine institutions for youthful offenders, and four correctional hospitals;
- ° 11 forensic laboratories and one DNA laboratory;
- ° Two public health laboratories;
- ° 238 forest fire stations and 28 air attack and helitack bases;
- ° 277 park units covering nearly 1.5 million acres, and 228 wildlife reserves encompassing approximately one million acres;
- ° 210 Department of Motor Vehicle and 139 Highway Patrol offices;
- ° 32 million square feet of leased and owned office space managed by the Department of General Services, and millions more square feet managed by other state entities;
- ° Four mental health hospitals with more than four million square feet of facilities and five developmental centers with approximately five million square feet of space; and

WHEREAS, these real property assets are the infrastructure necessary to carry out the services, activities, and programs that California provides to its citizens and visitors, and those programmatic needs drive California's investment in and management of real property assets; and

WHEREAS, California's inventory of real property assets is collectively valued in the hundreds of billions of dollars, and includes priceless parcels of California's breathtaking natural resources, which must be protected for this and all future generations; and

WHEREAS, California state government is entrusted with managing the entirety of this asset inventory in a way that maximizes the public benefits without unnecessary expense; and

WHEREAS, this responsibility for management and efficient stewardship includes ensuring proper utilization and maintenance of the assets, acting judiciously to increase the holdings in the inventory as necessary to meet increased needs for services to the public, and acting prudently to decrease the inventory when assets are surplus to the needs of serving the public; and

WHEREAS, California's real property asset management structure is spread across more than 40 boards, conservancies, commissions, and departments that acquire, trade, develop, and dispose of real property assets for various state programs; and

WHEREAS, California's decision-making process regarding the utilization of real property assets lacks statewide coordination, with nearly a hundred board members and department directors who govern the decisions regarding what property is added to and deleted from California's asset inventory; and

WHEREAS, there is no one set of laws, policies, or processes that comprehensively governs and coordinates the activities affecting California's asset inventory; and

WHEREAS, all properties purchased with funds derived from, or secured by, any tax or fee revenue are owned by the State of California, and are to be managed to benefit the citizens of California with the entities that have jurisdiction over these assets acting as stewards of the state's property for the people of California; and

WHEREAS, this disjointed system of real property asset management is deficient because it:

- ° Hinders statewide strategic planning;
- ° Inhibits the use of a consistent approach to determine whether the acquisition of a real property asset has a clearly identifiable public purpose and benefit;
- ° Inhibits the use of a consistent approach to determine whether the utilization of a real property asset meets statewide programmatic needs;
- ° Inhibits efforts to set coordinated statewide priorities for spending on real property assets;
- ° Leads to inconsistent and inequitable operational costs paid from departmental budgets for the use of real property assets;
- ° Allows some decisions to escape proper due diligence reviews and thereby increases the risk that the state will acquire low priority properties or properties with undiscovered costs and liabilities;
- ° Leads to inconsistent state policies in dealing with the public and other governments in real estate transactions;
- ° Contributes to an inefficient use of resources to manage, maintain, and govern California's real property assets;
- ° Has prevented the creation of a single system for accurately listing and tracking all of California's assets.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and statutes of the State of California, do hereby issue this order to become effective immediately:

1. The California Performance Review, in coordination with the State and Consumer Services Agency and the Department of General Services shall review all existing statutory and regulatory authorities and current laws and processes that govern the acquisition, use, management, and disposal of state real property assets. They shall make recommendations to the Governor regarding necessary reforms to improve the management of the state's portfolio of real assets.
2. All state agencies, departments, boards, and commissions under the authority of the Governor shall review all real property assets which are currently under their jurisdiction, as well as real property leased by the state. As part of this review, all state entities shall provide complete reporting of their property inventory in compliance with guidelines to be issued by the Department of General Services. The Department of General Services shall record these inventories in the Statewide Property Inventory.
3. All state agencies, departments, boards, and commissions shall review the current and anticipated programmatic need for the state-owned and leased property that they occupy or have under their stewardship, identify and report any property surplus to their current or future needs, and ensure that information is developed that completely and adequately describes and justifies existing and future programmatic needs for real property assets, including, but not limited to the information developed in compliance with the requirements of the California Infrastructure Planning Act (Government Code sections 13100-13104).



4. Concurrent to this review of laws and policies, the California Performance Review shall identify potentially high value urban properties owned by the State of California, which may be underutilized or which may not reflect a highest and best use, and which may warrant realignment or disposal. The California Performance Review shall prepare a report and recommendation to the Governor by June 30th 2004.
5. All state entities under the Governor's executive authority shall cooperate fully with the State and Consumer Services Agency, Department of General Services and the California Performance Review and identify departmental resources currently performing activities related to asset management and provide assistance and personnel as needed to implement this Executive Order. Agency secretaries and other cabinet-level positions will be responsible for ensuring compliance with the provisions of this Executive Order. For those departments that do not have cabinet-level representation, department directors or executive officers shall be responsible for ensuring compliance with the provisions of this Executive Order.
6. Other entities of state government not under the Governor's direct executive authority, including constitutional officers, the legislative and judicial branches, and the University of California, California State University, and California Community Colleges are requested to actively participate in this effort.
7. The California Performance Review, in coordination with the State and Consumer Services Agency, Department of General Services and the Department of Finance are hereby directed to coordinate the implementation of this Executive Order and may issue management memos, as necessary.



IN WITNESS WHEREOF I have here unto set my hand and caused the Great Seal of the State of California to be affixed this the eleventh day of May 2004.

A handwritten signature in black ink, which appears to read "Arnold Schwarzenegger".

Arnold Schwarzenegger
Governor of California



INTRODUCTION

Consistent with Executive Order S-10-04, a review of the State's real-property inventory was conducted to identify potentially high-value urban properties that are underutilized or possibly not being used to their highest and best use. In performing this exercise, we discovered numerous high-value urban properties which were either previously declared surplus or may be partially or fully surplus to their current or future operations. This latter category typically contains properties which are no longer used for delivery of a specific program, but which have yet to be officially declared surplus and are mired in the State's inefficient property evaluation and disposal process.

The results of this examination are contained herein, along with several recommendations essential to restructuring and properly managing the State's asset portfolio. It should be stressed that although several of these properties are currently surplus, the purpose of this review was also to evaluate properties within the State's inventory which warrant further, comprehensive analysis of their potential future use, rather than to earmark all of these properties for immediate sale. As such, the following caveats must be taken into account when reviewing these properties, including:

- **Highest and best use**—This real estate term is defined as the most reasonably probable and adequately supported use which is legally permissible, physically possible, financially feasible, and maximally productive. Property is typically valued on the basis of its highest and best use, which may or may not be its present use.
- **Relocation costs**—No detailed analysis of relocation costs necessary to replace or move facilities and programs was performed.
- **Limited due diligence**—These investigations were limited and did not include title, legal, environmental or programmatic reviews.
- **Acreage**—Acreage figures are estimates only; no surveys or legal description reviews were performed.
- **Estimated values and proceeds**—Estimated market values and potential sale proceeds may legally require bond fund repayment, deposit into special funds or in some cases, repayment to the federal government.

The wide ranges in market value estimates are based largely on the uncertainty of securing local government zoning approval to redevelop the parcels to their highest and best use. Estimated property market values at the low end of the value range anticipate low density redevelopment of the property or an "as-is" sale. Estimated market values at the high end of the value range anticipate that the property can be redeveloped or sold to its highest and best use.

THE STATE PORTFOLIO

The State of California owns a real property asset portfolio estimated to be worth hundreds of billions of dollars. This portfolio consists of numerous governmental facilities and critical infrastructure including State office buildings, educational institutions, correctional and health facilities, roads and highways, waterways and aqueducts, parks, preserves, and open space. It also contains properties of questionable relevance to the core functions of State government, including vacant or undeveloped land with no future planned use, golf courses, sports stadiums, fairgrounds and exposition centers.

According to the Statewide Property Inventory (SPI) database, the State owns more than 2,000 individual properties, 2.5 million acres of land and 195 million square feet of structural space. This is only a partial inventory; in reality, the State and its agencies own an estimated 5 million acres of land—roughly twice the figure typically reported as the State’s inventory. A comprehensive property inventory, its value and its uses, does not exist. Prior to 1990 when the SPI was created, there was not even a partial inventory of State-owned properties beyond lists maintained by individual departments or agencies.

Several reports and studies from the Little Hoover Commission, the Bureau of State Audits, and the Legislative Analysts Office, dating back to the 1980s, have criticized the manner in which the State manages its real property inventory. Efforts to restructure the State’s asset portfolio for both short-term financial benefits and longer-term alignment are now being discussed.

Real estate assets are tools which should support the delivery of core State functions. The development of an asset portfolio should not be a goal in and of itself. Each individual property should be a necessary component in achieving the goals of a State program. If it does not support a key goal of State government, the property should be evaluated as to whether or not it should remain in the State portfolio.

Meeting the real estate needs of state government is challenging; the sheer diversity of programs and functions require considerable evaluation and analysis. There are many vehicles that can be used to meet these real estate needs, including fee or non-profit ownership, leasehold or easement interests. A high performance real estate portfolio is the product of efficient portfolio management. The State’s underutilized real estate portfolio is largely the product of the absence of consistent policies and accountability as well as inefficient budgeting and accounting practices. Many of these maladies can be remedied through the implementation of the recommendations discussed in this report.



HIGH-VALUE URBAN PROPERTIES

The properties discussed in this report are prime candidates for further evaluation regarding their highest and best use and present significant opportunities for future disposal or realignment. They represent a broad cross section of the state's high value and urban real property portfolio and illustrate the challenges in balancing program functionality with real estate requirements. Some were declared surplus several years ago, but have yet to be sold. Others represent facilities that are still in use but whose parcel size and or location represent considerable value when substituting their highest and best use with their current programmatic use. Such properties are typically fairgrounds, prisons, developmental centers and armories.

In many instances, opportunities exist to unlock this value by initiating a gradual realignment of these through a partial sale or reuse of portions of the property that are not being utilized. Increasingly, urban encroachment or redevelopment is exerting pressure on these state facilities, prompting a reevaluation of their current and future use. In many cases, the sale or redevelopment of these properties are opportunities for infill development, in which additional housing units, retail space and tax revenue will directly benefit the surrounding community without harming the State's program delivery.

In analyzing these properties, two distinct categories quickly emerged, each displaying particular characteristics with regard to difficulty, functionality and value. These two categories are described below. A complete listing of these properties can be found in Exhibits A and B, respectively. Of a total of 49 properties, 37 are in Category 1 and 12 are in Category 2.

CATEGORY 1 - 37 Properties (Exhibit A)

This category generally comprises properties previously declared surplus but not yet sold, such as the CalTrans property in Newport Beach or underutilized portions of facilities currently in use, such as the Metropolitan State Hospital in Los Angeles. It is expected that these properties could be completely or partially disposed of over the near term. This can be achieved by subdividing the property into multiple parcels. Costs associated with disposal such as brokerage fees, lot line adjustments, rezoning and entitlements have not been taken into consideration. Those properties within this category which have not been declared surplus should be evaluated as soon as possible.

CATEGORY 2 - 12 Properties (Exhibit B)

Category 2 properties are high value assets within an Agency's operational portfolio most of which are arguably fully utilized. They are included in this report based on their high estimated value when calculated using their potential highest and best use. These properties call for a detailed evaluation which may ultimately extend beyond a property-specific analysis into a functional review of programmatic, regional or statewide real estate needs. For instance, numerous state fairgrounds are located on very valuable land and consolidating these operations could free substantial resources for development. Policymakers will want to evaluate

whether keeping such property off the tax rolls and postponing realignment or consolidation is fiscally sensible. It is expected that such analyses would be lengthy and time-consuming, with eventual disposal or realignment of such properties requiring 5-10 years. Again, detailed relocation or disposal costs were not considered in this analysis, although based on the value of these properties, such costs could still make relocation economically feasible.

METHODOLOGY

In conducting this review, CPR drew heavily on existing reports from a variety of sources, most notably a 1995 report prepared by the Department of General Services (DGS) entitled, *Report to the Legislature, State Surplus Property Inventory*. Although the report is nine years old, the status of most of the properties contained in it remains the same. To produce that report, DGS conducted field reviews of 876 properties totaling 230,000 acres and 69 million square feet of buildings. DGS classified 123 properties as completely unused or underused.

To further develop the list of properties in this report, CPR team members conducted meetings with DGS staff that prepared the 1995 report and which are responsible for the Department's surplus property sales program. We also interviewed Department of Transportation staff, along with other government officials and outside experts, regarding potentially high-value underused and surplus properties.

In some cases, our analysis suggests that California would be better off simply divesting property at fair market value, particularly in cases where the facility is not being used to support a government function. In other cases, we considered opportunities presented by selling a high-value parcel in a high-priced urban area and relocating services to other, more affordable locations. We eliminated from our review several properties contained in the 1995 DGS list, including those not located in high-value urban areas, those with low estimated values, those with recent improvements making sale uneconomic, and those that have been sold or otherwise disposed of in recent years. We based estimated market values on property information contained in the SPI as well as conversations with professional real estate brokers and other experts familiar with these properties.

RECOMMENDATIONS

California state government currently lacks clear and consistent performance benchmarks to evaluate real property assets and their utilization. In their absence, decisions about real property assets are largely subjective. The key challenge facing State government today is integrating real estate strategy with broad statewide priorities and financial constraints. To do this, California must adopt clear and consistent policies based on best practices in real estate utilization and accounting.



That being said, it is important to recognize that within these broad policies, different departments have different real estate needs. Strategies can and should be tailored to individual departments, agencies and even properties in order to optimize their acquisition, use, management, financing and disposal. For some departments, such as the Department of Water Resources and the Department of Parks and Recreation, real estate plays a central role in achieving their programmatic goals. In other departments, such as the Department of Motor Vehicles or the Employment Development Department, real estate plays a support function. The following six recommendations, which supplement the more comprehensive asset discussion within the CPR report, will advance the State's treatment of real estate assets and promote their efficient use.

1. **Create a dynamic, centralized portfolio management tool to replace the Statewide Property Inventory.** Strategic real estate management begins with a centralized and comprehensive inventory that accurately captures current data including market values, occupancy indicators and advance event notices. The Statewide Property Inventory (SPI), created in 1990, contains some information for most properties but is not an effective real estate portfolio management tool.

In addition, the State must enforce the participation of all State government entities to report their properties to this property inventory. As mentioned earlier, only about half of the state's total acreage is captured by SPI. Until the State has a complete registry of all State-owned property, the taxpayer, the legislature, and even the Governor have no way of knowing what assets the State owns or how those assets may better support State goals. Several private firms offer property inventory databases and related services, including the collection, maintenance and reporting of information to the client at regular intervals. The State should solicit information on various portfolio management technologies to evaluate their potential application.

2. **Institute a system of accurate, property-specific facilities charges, along with standardized property performance, fiscal and accounting measures.** Currently, State law requires departments and agencies to evaluate their real estate inventory and requirements on an annual basis. Without a policy establishing internal rents or facility charges for both owned and leased space that accurately captures the value of those assets and their true costs, little incentive exists for departments to shed or reconfigure underutilized or high-cost properties and make truly cost-effective operational decisions. At the same time, the absence of established financial benchmarks and accounting practices make it nearly impossible for departments or auditors to perform consistent evaluations of their properties.
3. **Use innovative legal and financial vehicles to optimize the acquisition, management, reuse and disposal of real estate assets.** Many corporations and governments utilize a variety of innovative financial and legal vehicles to efficiently acquire, operate and dispose of

real estate assets. These include limited liability corporations, public-private partnerships, non-profit corporations, real estate investment trusts, online auctions, and sale and lease back arrangements. In some cases, the State can dramatically increase the potential value of an underutilized property by securing local entitlements and zoning approval. This has been quite successful in recent years and should be utilized in the future for some properties. Rather than trying to recreate a market through its own auctions for surplus property, the State should consider using established global online auctions with generally higher visibility and public participation.

4. **Streamline the real property surplus process and empower the Department of General Services, or its successor, to identify and commence disposal proceedings at fair market value.** The current disposal process is lengthy and cumbersome, including a local government or nonprofit's first right of refusal as well as annual legislative intervention. Many of the properties in this report have been declared surplus for several years or identified as potentially underutilized. The current system has resulted in property reuse and disposal decisions based on politics, not operational priorities or financial prudence. In the absence of a strategic real estate framework and without a single entity empowered and accountable for managing surplus assets, the Legislature has been cast into the role of approving and debating individual transactions.

A single entity responsible and empowered to manage the disposal or reuse of state properties will result in higher and timelier sales proceeds for the State. Government Code Sections 11011 through 11011.20 and Government Code sections 54222 through 54238.7 distort real estate markets, lead to lengthy delays in the disposal of property, and can cost the State significant sums of money by allowing sales at far less than market value, which often means properties are disposed of with little or no benefit to the State. In some instances, the properties are literally given away. Legislation should be enacted to rescind these code sections that permit the sale of State property for less than fair market value and unnecessarily lengthen the disposal process.

5. **State law should be amended to require the use of binding arbitration to resolve disputes regarding State surplus property.** Binding arbitration should be used to resolve disputes between the State and local government over the surplus or the reuse of State property. Cities and counties control local zoning, and hence, the market value of State owned real property. There are often disputes over property development and entitlements. In some instances, local governments opposed to any development can hold the state "hostage" by adopting new zoning which eliminates most of a property's value, such as declaring it as open space or parkland. Acknowledging local control over zoning and land use authority, as well as the needs of the State, a process should be adopted whereby both sides agree to a neutral arbitrator to resolve the conflict in a manner that balances these interests.



— Exhibit A —

CATEGORY 1 Properties



State Owned High Value Property (Category 1)				As-Is Market Value Estimate		Fully Entitled Market Value Estimate		
Agency	County	Property Name	Address	Acres	Low	High	Low	High
General Services	Various	Parking Lots	Various	NA	TBD	TBD	TBD	TBD
Health Services	Alameda	Berkeley Way Lab	2151 Berkeley Way, Berkeley	2.4	\$10,000,000	\$10,000,000	\$14,000,000	\$14,000,000
CalTrans	Alameda	Montclair Golf Course	2477 Monterey Drive, Oakland	1.5	\$750,000	\$1,500,000	\$750,000	\$1,500,000
Youth Authority	Amador	Preston School of Industry	201 Waterman Rd., Ione	599	\$12,000,000	\$12,000,000	\$15,000,000	\$15,000,000
CalTrans	Contra Costa	Construction Office	3401 Regatta Boulevard, Richmond	1.5	\$1,000,000	\$2,000,000	\$2,000,000	\$3,000,000
Youth Authority	Los Angeles	Fred C. Nelles Youth Correctional Facility	11850 E. Whittier Blvd., Whittier	68	\$60,000,000	\$60,000,000	\$90,000,000	\$90,000,000
Youth Authority	Los Angeles	L.A. Reception Center	2245 E. Washington Blvd., Los Angeles	20	\$22,000,000	\$22,000,000	\$30,000,000	\$30,000,000
Mental Health	Los Angeles	Metropolitan State Hospital (Partial)	11400 South Norwalk Blvd, Norwalk	30	\$18,000,000	\$18,000,000	\$47,000,000	\$47,000,000
CA State University Parks and Recreation	Los Angeles	Pomona Campus (Partial)	3801 West Temple Avenue, Pomona	165	\$47,000,000	\$57,500,000	\$72,000,000	\$86,000,000
Developmental Services	Los Angeles	Park Sector Office	39996 Pacific Coast Highway, Malibu	11	\$2,000,000	\$2,000,000	\$11,000,000	\$11,000,000
Developmental Services	Los Angeles	Lanternman Developmental Center (Partial)	3530 West Pomona Blvd., Pomona	41-90	\$12,000,000	\$31,000,000	\$18,000,000	\$47,000,000
Developmental Services	Orange	Fairview Developmental Center (Partial)	2501 Harbor Blvd., Costa Mesa	32	\$20,000,000	\$20,000,000	\$24,000,000	\$29,000,000
CalTrans	Orange	Vacant Land	Pacific Coast Hwy/ Superior Avenue	16.9	\$2,100,000	\$2,100,000	\$4,800,000	\$12,800,000
CalTrans	Sacramento	Elk Grove Maintenance Station	9660 Stockton Boulevard, Elk Grove	5.9	\$1,500,000	\$1,500,000	\$2,300,000	\$2,300,000
CalTrans	Sacramento	Fruitridge Maintenance Station	5521 34th Street, Sacramento	1.7	\$222,000	\$222,000	\$222,000	\$222,000
CalTrans	Sacramento	Parking Lot	11, 12, P & Q Streets, Sacramento	2.4	\$2,800,000	\$3,600,000	\$4,200,000	\$5,280,000
CalTrans	Sacramento	Parking Lot	1/4 Block on NE corner of 11, 12, O & P Streets, Sacramento	0.6	\$720,000	\$900,000	\$1,050,000	\$1,320,000

State Owned High Value Property (Category 1)							As-Is Market Value Estimate		Fully Entitled Market Value Estimate	
Agency	County	Property Name	Address	Acres	Low	High	Low	High	Low	High
CADA	Sacramento	59 different properties	Capitol Area Plan, Sacramento	TBD	\$57,500,000	\$57,500,000	\$57,500,000	\$57,500,000	\$57,500,000	\$57,500,000
Youth Authority	Sacramento	Northern Reception Center	3001 Ramona Avenue, Sacramento	28	\$3,600,000	\$3,600,000	\$3,600,000	\$3,600,000	\$3,600,000	\$3,600,000
Corrections	Sacramento	Folsom State Prison (Partial)	P.O. Box W. Repressa, Folsom	200	\$13,000,000	\$16,000,000	\$16,000,000	\$16,000,000	\$46,000,000	\$52,000,000
Corrections	San Bernardino	California Institution for Men-Chino (Partial)	14901 Central Avenue, Chino (2,242 total acres)	400-500	\$61,000,000	\$87,000,000	\$87,000,000	\$87,000,000	\$78,400,000	\$109,000,000
Mental Health	San Bernardino	Patton State Hospital (Partial)	3102 East Highland Avenue, San Bernardino	102	\$15,500,000	\$15,500,000	\$15,500,000	\$15,500,000	\$22,200,000	\$22,200,000
CalTrans	San Diego	Bostonia Maintenance Station	1463 Broadway, El Cajon	1.2	\$575,000	\$575,000	\$575,000	\$575,000	\$800,000	\$800,000
Military	San Diego	Escondido Armory	304 East Park Avenue, Escondido	5.1	\$1,555,000	\$1,775,000	\$1,775,000	\$1,775,000	\$2,220,000	\$2,665,000
General Services	San Diego	San Diego State Garage	345 West Ash, San Diego	1.13	\$9,100,000	\$9,800,000	\$9,800,000	\$9,800,000	\$11,300,000	\$12,300,000
General Services	San Diego	Transamerica Building	1301 State Street, San Diego	0.23	\$1,840,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,300,000	\$2,500,000
General Services	San Diego	San Diego State Building	1350 Front Street, San Diego	1.34	\$10,800,000	\$11,700,000	\$11,700,000	\$11,700,000	\$13,400,000	\$14,600,000
Motor Vehicles	San Diego	DMV Field Office	3960 Normal Street, San Diego	2.48	\$1,620,000	\$1,945,000	\$1,945,000	\$1,945,000	\$2,600,000	\$4,000,000
General Services	San Joaquin	Stockton State Building	31 East Channel Street, Stockton	2.46	850,000	850,000	850,000	850,000	3,200,000	3,200,000
Mental Health	San Luis Obispo	Atascadero State Hospital (Partial)	1033 El Camino Real, Atascadero	319	\$4,700,000	\$6,400,000	\$6,400,000	\$6,400,000	\$12,800,000	\$19,000,000
Military	San Luis Obispo	Camp San Luis Obispo (Partial)	Highway 1, San Luis Obispo	300	\$2,000,000	\$2,400,000	\$2,400,000	\$2,400,000	\$4,600,000	\$6,000,000
Youth Authority	San Luis Obispo	El Paseo De Robles School	4545 Airport Road, Paso Robles	200	\$8,700,000	\$11,000,000	\$11,000,000	\$11,000,000	\$17,400,000	\$22,000,000
Developmental Services	Santa Clara	Agnews Developmental Center	3500 Zanker Road, San Jose	90	NA	NA	NA	NA	\$175,000,000	\$225,000,000
CalTrans	Santa Clara	Right of Way	De Anza Boulevard/Cleo Avenue, San Jose	0.7	\$750,000	\$1,000,000	\$1,000,000	\$1,000,000	\$750,000	\$1,000,000



State Owned High Value Property (Category 1)									
Agency	County	Property Name	Address	Acres	As-Is Market Value Estimate		Fully Entitled Market Value Estimate		High
					Low	High	Low	High	
CalTrans	Santa Clara	Right of Way	Yerba Buena Road/Lafayette Street, San Jose	1.3	\$2,500,000	\$3,000,000	\$2,000,000	\$3,000,000	
CalTrans	San Francisco	Land Lease	1900 Evans Avenue, San Francisco	1	\$2,000,000	\$2,200,000	\$2,000,000	\$2,200,000	
CalTrans	San Francisco	Parking Lot	North side of Golden Gate Avenue between Gough & Franklin San Francisco	0.3	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	
CA National Guard	Sonoma	Healdsburg Armory	900 Powell Avenue, Healdsburg	2	\$1,050,000	\$1,050,000	\$1,500,000	\$1,500,000	
Totals				2,216	\$412,682,000	\$481,567,000	\$797,842,000	\$961,437,000	



STATE-OWNED VEHICLE PARKING LOTS

RP #: Not Applicable
 Address: Various locations statewide
 Agency: General Services
 Parcel Size: 9,825 parking spaces/31 lots

The Department of General Services Division of Fleet Administration manages, operates and maintains 31 parking lots with 9,825 parking spaces throughout the state. These parking facilities are used by state employees and public visitors to state buildings.

It is recommended that disposal alternatives with regard to this parking portfolio be evaluated. These lots could possibly be sold on the condition that the purchaser continue to operate the property as a parking facility and ensure that state employees and public visitors to state buildings be given preference for available parking.

Another alternative is to enter into long term ground leases with parking operators. This would relieve the State of maintenance and administrative costs as well as generate additional revenues.

ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	To Be Determined	Price Per Square Foot:	To Be Determined
Price Per Acre:	To Be Determined	Price Per Acre:	To Be Determined
Total Value:	To Be Determined	Total Value:	To Be Determined



BERKELEY WAY LABORATORY

RP #: 2151 Berkeley Way

Address: 2151 Berkeley Way
Berkeley, CA
Alameda County

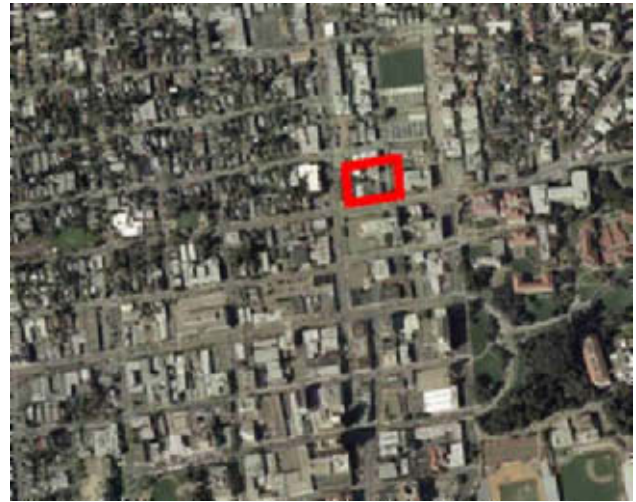
Agency: Health Services

Parcel Size: 2.4 acres

This property is well located in the City of Berkeley at the northeast corner of Shattuck Avenue and Berkeley Way. The property also has frontage along Hearst Avenue.

The existing 200,000 square foot laboratory and research building on the site was built in 1955 and is functionally obsolete.

The highest and best use for the property is mixed use, multifamily housing and retail development.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$95	Price Per Square Foot:	\$135
Price Per Acre:	\$4,100,000	Price Per Acre:	\$5,800,000
Total Value	\$10,000,000	Total Value:	\$14,000,000



MONTCLAIR GOLF COURSE

RP #: Not Applicable

Address: Montclair Golf Course
2477 Monterey Drive
Oakland, CA 92626
Alameda County

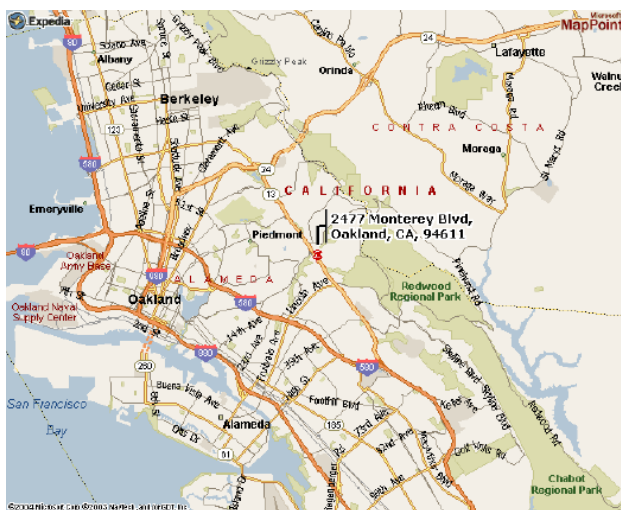
Agency: Department of Transportation

Parcel Size: 1.5 Acres

This parcel of land is being used as a part of a nine-hole golf course located on approximately ten acres. The state-owned parcel is leased to the City of Oakland for \$840 per year. The property was originally purchased in 1955 for the Alameda 237, (Warren Freeway) but there are no longer plans to construct this freeway. The city has an option to renew its lease with the state through 2013. CalTrans indicates that the lease is being reevaluated and that the department is working with the city to determine the property's final disposition.

This golf course is located in an affluent area of Oakland Hills. Single-family home prices range from \$400,000 to over \$1,000,000.

The property is currently zoned as "open space." It is not clear if any development potential exists.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: UNKNOWN	Price Per Square Foot: UNKNOWN
Price Per Acre: UNKNOWN	Price Per Acre: UNKNOWN
Total Value: \$750,000–\$1,500,000	Total Value: \$750,000–\$1,500,000
Comments: This estimate of value assumes sale of the entire property. An unsolicited local offer to purchase the golf course (including the City-owned portion) suggests a value in the range of \$5 million to \$10 million.	Comments: The entitlements process for this property might be difficult. A number of environmental concerns, including drainage and slope stabilization make this property an unlikely candidate for development. Hence, the highest and best use for the property would likely remain as a golf course.



PRESTON SCHOOL OF INDUSTRY

RP #: 1575
 Address: 201 Waterman Road
 Lone, CA 95640
 Amador County
 Agency: Youth Authority
 Parcel Size: 599 acres

This property is currently used as a youth correctional facility. In its June 2004 report, the Corrections Independent Review Panel recommends that this facility be closed and that the wards be transferred to the Northern California Women's Facility in Stockton, which is now closed.

The property is located in the Amador wine region, an increasingly popular residential area and weekend destination. The property consists of older facilities and considerable open space.

This is a rural area, but like other foothill communities east of Sacramento, the area is developing quickly. Possible reuse opportunities include residential housing or perhaps a winery and vineyard.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$0.46	Price Per Square Foot:	\$0.57
Price Per Acre:	\$20,000	Price Per Acre:	\$25,000
Total Value:	\$12,000,000	Total Value:	\$15,000,000
		Comments: Highest and best use unknown; potential agricultural or residential use.	

CALTRANS RICHMOND CONSTRUCTION OFFICE

RP #: Not Applicable

Address: 3401 Regatta Boulevard
Richmond, CA 94804

Contra Costa County

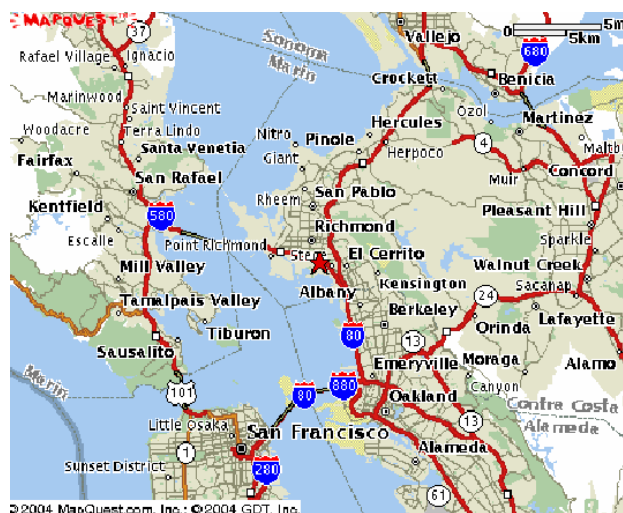
Agency: CalTrans

Parcel Size: 1.5 acres

This property was originally purchased from PG&E in 1986 and consists of three outdated and functionally obsolete structures housing staff that monitor construction projects and perform design work. There is also an unused laboratory on site.

The surrounding area is predominantly used for industrial and commercial purposes.

Based on the poor condition of the structures on the property, the State should vacate and sell this facility, and move the staff into leased space that better meets their needs, or possibly relocate to a portion of the 63,000 square feet that the Department of Health Services plans to vacate in the Oakland State building in 2005.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$15–\$30	Price Per Square Foot:	\$30–\$45
Price Per Acre:	\$665,000–\$1,300,000	Price Per Acre:	\$1,300,000–\$2,000,000
Total Value:	\$1,000,000–\$2,000,000	Total Value:	\$2,000,000–\$3,000,000



FRED C. NELLES YOUTH CORRECTIONAL FACILITY

RP #: 1569

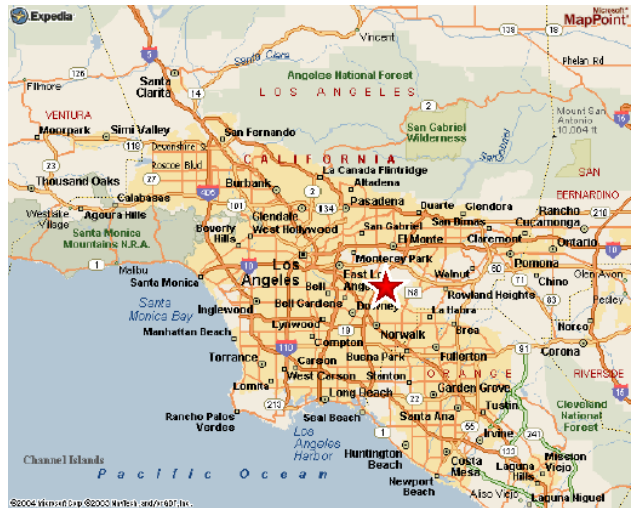
Address: Fred C. Nelles Youth
Correctional Facility
11850 E. Whittier Blvd.
Whittier, CA 90601
Los Angeles County

Agency: Youth Authority

Parcel Size: 68 acres

This property is centrally located in the City of Whittier on Whittier Blvd. within close proximity to the 605 freeway. This facility is one of 10 institutions in California providing housing, educational and rehabilitation programs and services to juvenile offenders. The site contains a church, infirmary, gymnasium, swimming pool, auditorium and school.

The Youth Authority plans to close this facility and the property is included in the 2004 surplus property bill (SB 1752). Other legislation pertaining to this property include AB 1842 (Calderon) and AB 2508 (Bermudez) which both propose to sole source the sale of the property to the City of Whittier. The City of Whittier appears to be confident that they will obtain the property and has already gone through a RFQ process to select a developer for the property. It is recommended that this process be opened to competitive bidding in order to maximize value to the state.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$20	Price Per Square Foot:	\$29
Price Per Acre:	\$870,000	Price Per Acre:	\$1,265,000
Total Value:	\$60,000,000	Total Value:	\$90,000,000
		Comments: The city is open to new residential development. There has been little recent residential development in the City of Whittier. Demand for the site would be strong. Expected densities would be 10 homes/acre overall.	



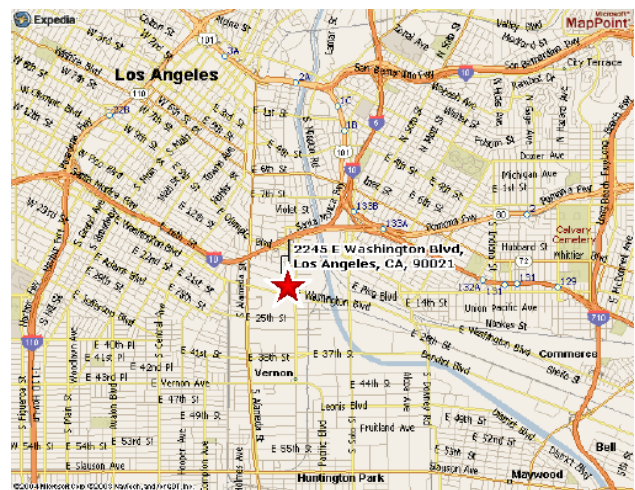
L.A. RECEPTION CENTER

RP #: Not Applicable
 Address: L.A. Reception Center
 2245 E. Washington Blvd.
 Los Angeles, CA 90021
 Los Angeles County
 Agency: Youth Authority
 Parcel Size: 20 acres

The site does not have any improvements on it. Adjacent and to the east of the property is a railroad storage and maintenance yard. The lack of available industrial land in the region may make this an attractive parcel.

The property is located in a commercial/industrial area with close proximity to numerous major transportation routes.

This property was declared surplus by the legislature in 1992 and the state is currently completing environmental clean-up on the property. The Los Angeles Community Redevelopment Agency (LACRA) had an option to purchase the property that expired in 2003 but LACRA and the state are continuing negotiations to transfer ownership of the site. Once title is transferred, LACRA intends to sell the property to a local developer.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$25	Price Per Square Foot: \$34–\$35
Price Per Acre: \$1,100,000	Price Per Acre: \$1,500,000
Total Value: \$22,000,000	Total Value: \$30,000,000
Comments: This valuation assumes that the site has been cleared of environmental contamination and that no surface or sub-surface easements are included.	Comments: Highest and best use for this property is commercial/industrial. The entitlements process for this property would take approximately 18 months.



-PARTIALLY UNDERUTILIZED- METROPOLITAN STATE HOSPITAL

RP #: 792

Address: Metropolitan State Hospital
11400 South Norwalk Blvd.
Norwalk, CA 90650
Los Angeles County

Agency: Mental Health

Underused

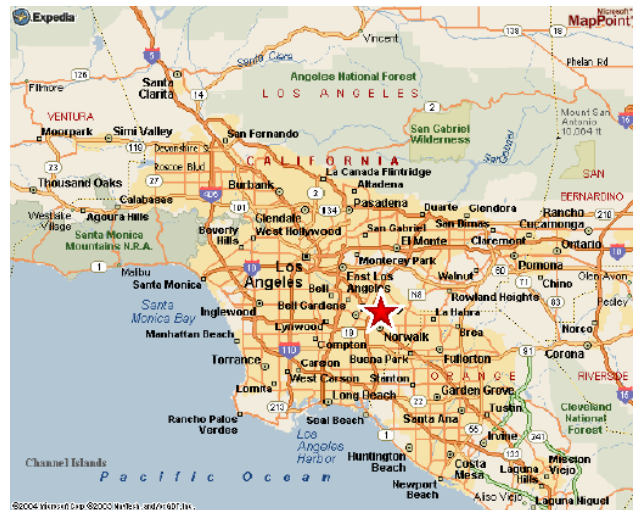
Parcel: 30 acres

Total Parcel: 118 acres

This facility houses 900 patients and provides a continuum of care including: Acute Care, Intermediate/Subacute Care, Psychiatric Rehabilitation, and Nursing.

There appear to be approximately 30 acres of underutilized property at this site.

This site is well located within the city of Norwalk. It is surrounded by Norwalk Blvd. and Bloomfield Ave. and is very close to the I-5 Freeway providing easy access to the greater Los Angeles County.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$13.75	Price Per Square Foot: \$36
Price Per Acre: \$600,000	Price Per Acre: \$1,600,000
Total Value: \$18,000,000	Total Value: \$47,000,000
Comments: Highest and best use is residential development.	Comments: There would be strong demand from residential developers for this site. Expected average density would be 10 homes per acre, allowing 25% dedication to public/recreation space.



-PARTIALLY UNDERUTILIZED- CSU-CAL POLY POMONA

RP #: 1334
 Address: 3801 West Temple Avenue
 Pomona, CA
 Los Angeles County
 Agency: California State University
 Underutilized
 Parcel: 165 acres
 Total Parcel: 1,302 acres

The underutilized portion of the property is currently used for agricultural purposes. The property has high development potential in a relatively high property value area of Los Angeles County.

As a larger parcel, this is one of few sites potentially available in eastern Los Angeles County. Depending on local community support, highest and best use could be either mixed use with high density residential or light industrial development.

Demand for both residential/mixed use and industrial land in this area is high with minimal supply of larger land parcels available. This site is surrounded by existing development and would most likely be developed as high density residential as its highest and best use.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$6.50–\$8.00	Price Per Square Foot:	\$10–\$12
Price Per Acre:	\$285,000–\$350,000	Price Per Acre:	\$435,000–\$525,000
Total Value:	\$47,000,000–\$57,500,000	Total Value:	\$72,000,000–\$86,000,000

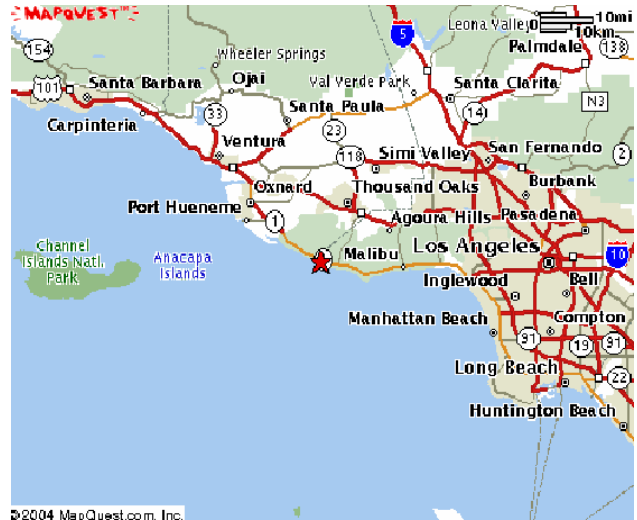


-PARTIALLY UNDERUTILIZED- STATE PARK OFFICES/RESIDENCES—MALIBU

RP #: 1334
 Address: 39996 Pacific Coast Highway
 Malibu, CA 90261
 Los Angeles County
 Agency: Parks and Recreation
 Parcel Size: ca. 11 acres

This property is adjacent to Leo Carrillo State Park and houses the State Park Malibu Sector office and four residential structures housing park rangers. The Sector office occupies a former 1,800 square ft. residence built in the 1960s. This structure served as the 1996 MTV beach house.

The residences are a mixture of single and multifamily structures. Based on high land values for residential property in the area, sales proceeds from a partial sale will easily compensate for relocating the office and the residential occupants. The highest and best use of this property is low density residential.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$4	Price Per Square Foot:	\$23
Price Per Acre:	\$180,000	Price Per Acre:	\$1,000,000
Total Value:	\$2,000,000	Total Value:	\$11,000,000
Comments: Due to heightened planning uncertainty and permitting in Malibu, these estimates are very conservative.		Comments: Due to heightened planning uncertainty and permitting in Malibu, these estimates are very conservative.	



-PARTIALLY UNDERUTILIZED- LANTERMAN DEVELOPMENTAL CENTER

RP #: 791

Address: Lanterman Developmental
Center
3530 W. Pomona Blvd.
Pomona, CA 91769
Los Angeles County

Agency: Developmental Services (DDS)

Underused
Parcel: 41–90 acres

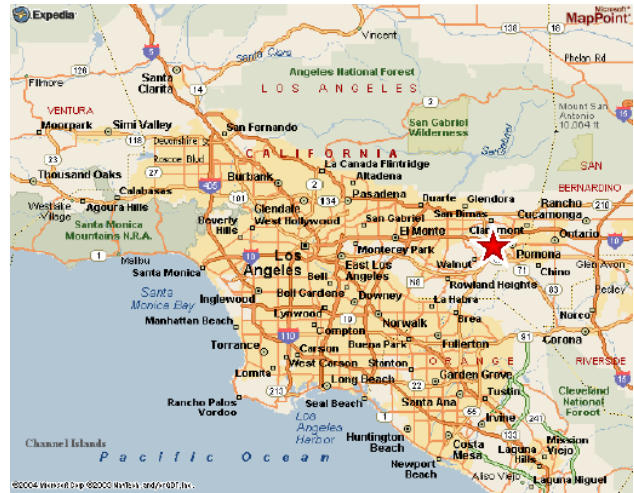
Total Parcel
Size: 302.15 acres

This facility provides general acute care, nursing care, and intermediate care for the developmentally disabled. At its peak in 1962, the facility had a population of 3,058 patients. By May of 2004 the population had declined to 589 patients.

41 acres of the property was declared surplus by the legislature in 1996. A master plan for upgrading DDS facilities was completed in 1998 but sale of the property is on hold pending DDS policy decisions regarding future facilities plans.

The piece of the property declared surplus is landlocked, but it may be possible to relocate a park and ride lot on the property to create access to the surplus acreage.

In addition to the property already declared surplus, there appears to be an additional 50



acres on the site that are not used which may be surplus and could be sold without negatively impacting the continuing operation of the facility.

As a larger parcel, this is one of very few sites potentially available in eastern Los Angeles County. Depending on local community support and neighboring development, highest and best use could be mixed use with high density residential and retail commercial or light industrial development. The site is surrounded by several freeways and has the potential for a rail spur, also making it attractive for industrial development.

ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$6.50–\$8.00	Price Per Square Foot: \$10–\$12
Price Per Acre: \$285,000–\$350,000	Price Per Acre: \$435,000–\$525,000
Total Value: \$12,000,000–\$31,000,000	Total Value: \$18,000,000–\$47,000,000



-PARTIALLY UNDERUTILIZED- FAIRVIEW DEVELOPMENTAL CENTER

RP #: 790

Address: Fairview Developmental Center
2501 Harbor Blvd.
Costa Mesa, CA 92626
Orange County

Agency: Developmental Services

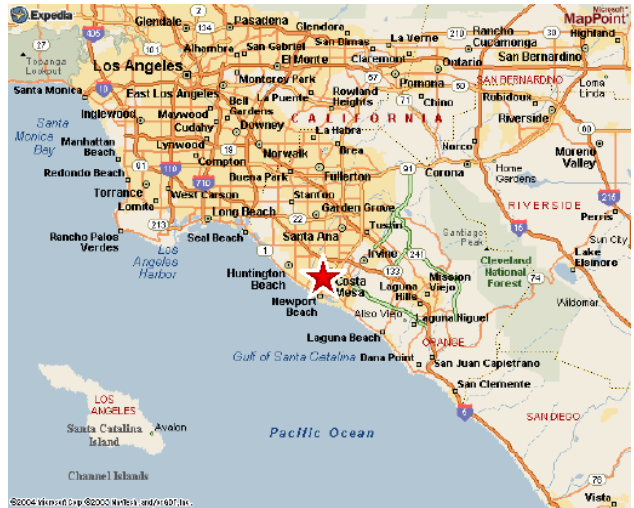
Underused
Parcel: 32 acres

Total Parcel: 148.65 acres

The Fairview Developmental Center is one of five state-operated developmental centers. It is currently run as a multi-service residential facility that provides acute, skilled and intermediate care to individuals with developmental disabilities.

In 1996, 32 acres of the site were declared surplus by the legislature. A Master Plan for upgrading DDS facilities was completed in 1998. Disposal of a portion of the surplus property is on hold pending DDS policy decisions and a 6 acre portion is being evaluated for sales potential.

The site is well located in the City of Costa Mesa right off of Harbor Boulevard near the 405 Freeway. It is surrounded on three sides by the 36-hole Costa Mesa golf course, making this an attractive and high-value location for residential development.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$14	Price Per Square Foot:	\$17–\$21
Price Per Acre:	\$600,000	Price Per Acre:	\$740,000–\$915,000
Total Value:	\$20,000,000	Total Value:	\$24,000,000–\$29,000,000



CALTRANS NEWPORT BEACH

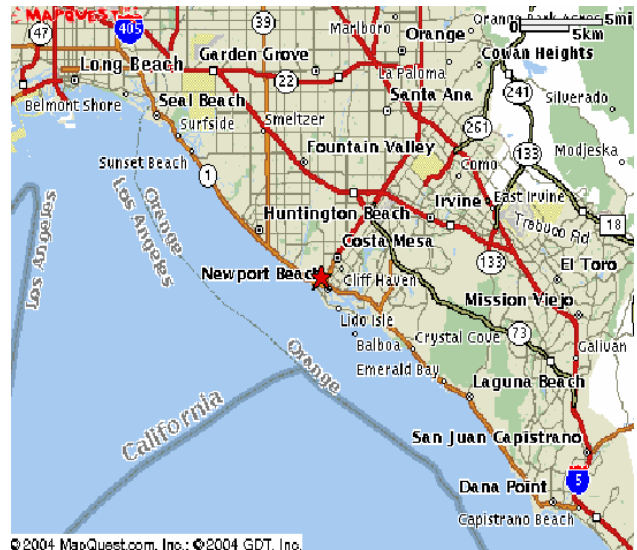
RP #: Not Applicable
 Address: Pacific Coast Highway/
 Superior Avenue
 Newport Beach, CA 92663
 Orange County
 Agency: CalTrans
 Parcel Size: 16.9 acres

This vacant property was deemed excess in 1975. It is a very desirable location, nearly ½ mile from the Pacific Ocean. It comprises two parcels, one 15-acre parcel and one just under 2 acres.

The smaller 2-acre parcel has limited utility due to its topography but is still desirable for residential use. The value of this parcel is estimated at approximately \$800,000.

Recent legislation directed CalTrans to sell the larger parcel to the City of Newport Beach for approximately \$1.3 million, well below the estimated market value of over \$4 million. It is anticipated that the City of Newport Beach would like to see a park developed on this parcel.

This transaction has been delayed and the State should reevaluate potential disposal options for both parcels to ensure it is adequately compensated.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$2.85	Price Per Square Foot:	\$6–\$17
Price Per Acre:	\$125,000	Price Per Acre:	\$285,000–\$750,000
Total Value:	\$2,100,000	Total Value:	\$4,800,000–\$12,800,000



CALTRANS ELK GROVE MAINTENANCE STATION

RP #: Not Applicable
 Address: Elk Grove Maintenance Station
 9660 Stockton Boulevard
 Elk Grove, CA 95624
 Sacramento County

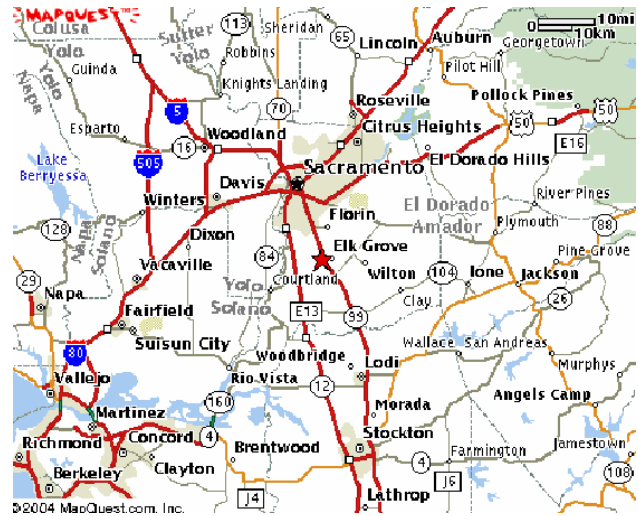
Agency: CalTrans

Parcel Size: 5.9 acres

This former CalTrans maintenance station is now closed and no longer serves a state purpose.

The property is located on the east side of Highway 99 south of Elk Grove Boulevard and has freeway frontage.

The highest and best use for the property is retail or light industrial development.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$6	Price Per Square Foot:	\$9
Price Per Acre:	\$260,000	Price Per Acre:	\$390,000
Total Value:	\$1,500,000	Total Value:	\$2,300,000

CALTRANS SACRAMENTO—34TH STREET

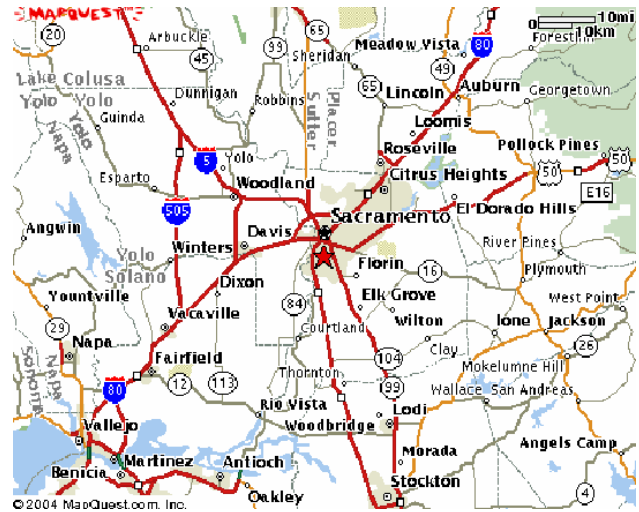
RP #: Not Applicable

Address: 5521 34th Street
Sacramento, CA 95820
Sacramento County

Agency: CalTrans

Parcel Size: 1.7 acres

This property, known as the Fruitridge maintenance station, is closed and serves no state purpose. The likely highest and best use for the property is light industrial development.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$3	Price Per Square Foot:	\$3
Price Per Acre:	\$130,000	Price Per Acre:	\$130,000
Total Value:	\$222,000	Total Value:	\$222,000



SACRAMENTO—11TH STREET

RP #: 1886

Address: 11, 12, P, & Q
Sacramento, CA 95814
Sacramento County

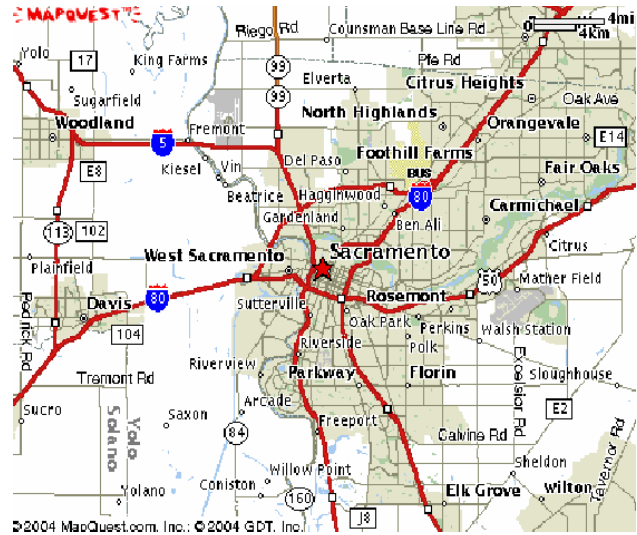
Agency: CalTrans

Parcel Size: 2.4 acres

This property is currently used as a parking lot and provides 187 parking spaces. A small childcare facility is located on the South East corner.

This property is located in downtown Sacramento, three blocks from the Capitol complex, with adequate freeway access and one block from a light rail stop.

A state-sponsored Regional Facility Plan has identified this property as a potential site for the construction of a new office facility to consolidate current CalTrans space in downtown Sacramento. In the interim, this property could be leased to a parking operator to relieve the state of maintaining and operating the premise as well as generate additional revenues.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$28–\$35	Price Per Square Foot:	\$40–\$50
Price Per Acre:	\$1,200,000–\$1,500,000	Price Per Acre:	\$1,750,000–\$2,200,000
Total Value:	\$2,800,000–\$3,600,000	Total Value:	\$4,200,000–\$5,280,000

SACRAMENTO—12TH STREET

RP #: 1771

Address: ¼ block on North East Corner
of 11, 12, O, & P Street
Sacramento, CA 95814

Sacramento County

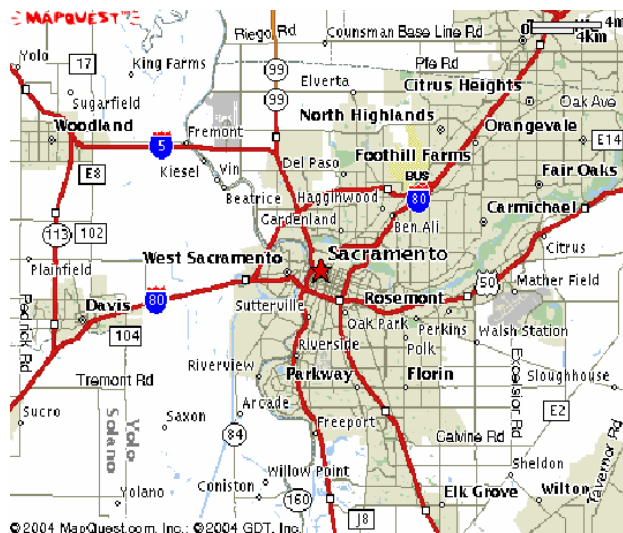
Agency: CalTrans

Parcel Size: 0.6 acres

The ¼ block currently provides 36 parking spaces for 1120 N Street facility.

This is an excellent Downtown Sacramento location, two blocks from the Capitol, with adequate freeway access and immediate light rail access.

This property has been identified in the 1997 Sacramento Regional Facility Plan as a potential office site. The Capitol Area Plan also identifies this property as a potential office location. In the interim, this property could be leased to a parking operator to relieve the state of maintaining and operating the premise as well as generate additional revenues.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$28–\$35	Price Per Square Foot:	\$40–\$50
Price Per Acre:	\$1,200,000–\$1,500,000	Price Per Acre:	\$1,750,000–\$2,200,000
Total Value:	\$720,000–\$900,000	Total Value:	\$1,050,000–\$1,320,000



CAPITOL AREA HOUSING AUTHORITY (CADA)

RP #: Various
 Address: Various properties in
 downtown Sacramento
 Sacramento County
 Agency: Capitol Area Development
 Authority
 Parcel Size: Various

The Capitol Area Development Authority (CADA) is a Joint Powers Authority between the State of California and the City of Sacramento. CADA is authorized to implement the plans and objectives of the 1977 Capitol Area Plan, as directed by the State of California and the City of Sacramento.

CADA directly manages and maintains 752 residential units in 50 buildings, 33 commercial retail properties, and 600 parking spaces that are either state-owned or CADA-owned on state-owned property. 252 of the residential units are rental assisted for low income households.

These properties do not directly serve a state program need. It may be possible to retain the rental assisted units and to sell only the market



rate residential units and commercial space. The estimated sales price reflects individual sales rather than a package sale and does not assume affordable housing requirements. Commercial buildings were not considered in this analysis. Hence, the value of the portfolio may be higher or lower than estimated.

ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$Not Applicable	Price Per Square Foot:	\$Not Applicable
Price Per Acre:	\$Not Applicable	Price Per Acre:	\$Not Applicable
Total Value:	\$57,500,000	Total Value:	\$57,500,000



NORTHERN RECEPTION CENTER

RP #: 1571
 Address: 3001 Ramona Ave.
 Sacramento, CA 95826
 Sacramento County
 Agency: California Youth Authority
 Parcel Size: 28 acres

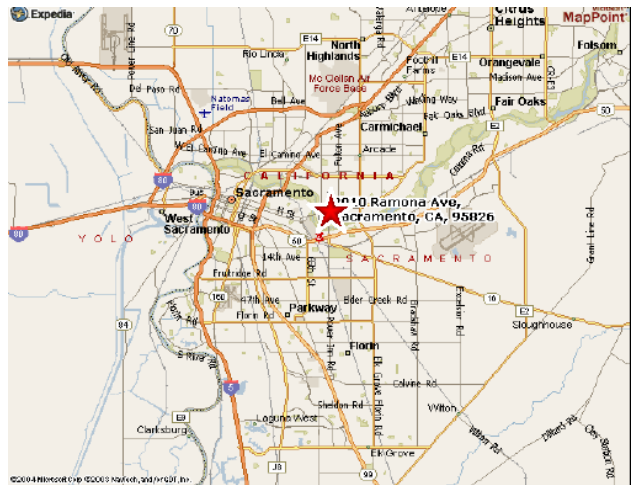
This site is currently vacant. California State University Sacramento is attempting to acquire the property for administrative offices and athletic fields through a property transfer of jurisdiction between agencies.

The property is included in the 2004 surplus property bill (SB 1752) to facilitate sale in the event that CSUS is not permitted to obtain jurisdiction of the property.

There are multiple structures on the property totaling about 150,000 square feet with one and two story classrooms, dormitories, gymnasium and administrative offices.

The property has significant on site parking, and access to light rail, Power Inn Road, Folsom Blvd and Highway 50. There is limited frontage on Ramona Ave and no visibility to any major street. The site is zoned M2 Heavy Industrial. The most likely private sector use would be as an industrial development with a user purchase possible but unlikely.

Sales proceeds would likely be reduced by \$700,000, the cost of demolishing the existing improvements.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$3	Price Per Square Foot:	\$3
Price Per Acre:	\$130,000	Price Per Acre:	\$130,000
Total Value:	\$3,600,000	Total Value:	\$3,600,000



-PARTIALLY UNDERUTILIZED- FOLSOM STATE PRISON

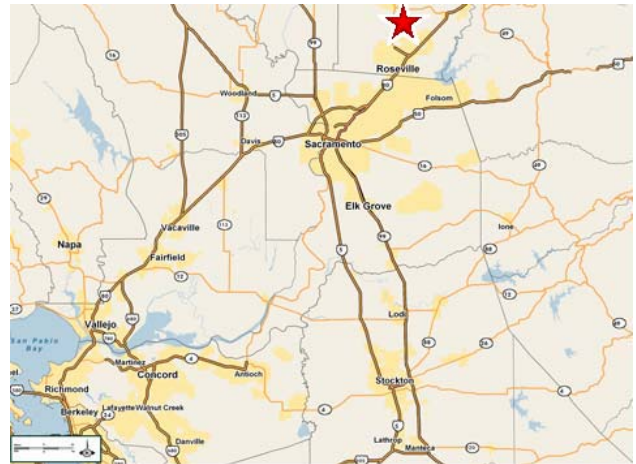
RP #: 39
 Address: Folsom, CA
 Sacramento County
 Agency: Corrections
 Underutilized
 Parcel: 200 acres
 Parcel Size: 1,065 acres

Folsom State Prison currently houses a population of about 3,500 inmates. There are approximately 200 underused acres on the southern and eastern edges of the property that are suitable for residential development and that may potentially be sold without negatively affecting the prison operations.

The prison is located next to Folsom Lake and the American River in the fast growing City of Folsom. Folsom is an up-scale community with home prices substantially higher than the county median. In Sacramento County the median home price is \$290,000. As of April 2004, the median sales price of a home in Folsom was \$383,000.

Housing demand is strong in the area and the highest and best use for the property is high-end residential development.

Land suitable for residential and commercial development is at a premium and this property would generate strong demand for redevelopment.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$1.50–\$1.80	Price Per Square Foot:	\$5.25–\$6.00
Price Per Acre:	\$65,000–\$80,000	Price Per Acre:	\$230,000–\$260,000
Total Value:	\$13,000,000–\$16,000,000	Total Value:	\$46,000,000–\$52,000,000



-PARTIALLY UNDERUTILIZED- CALIFORNIA INSTITUTION FOR MEN—CHINO

RP #: 50
Address: California Institution for Men
14901 Central Avenue
Chino, CA 91710
San Bernardino County

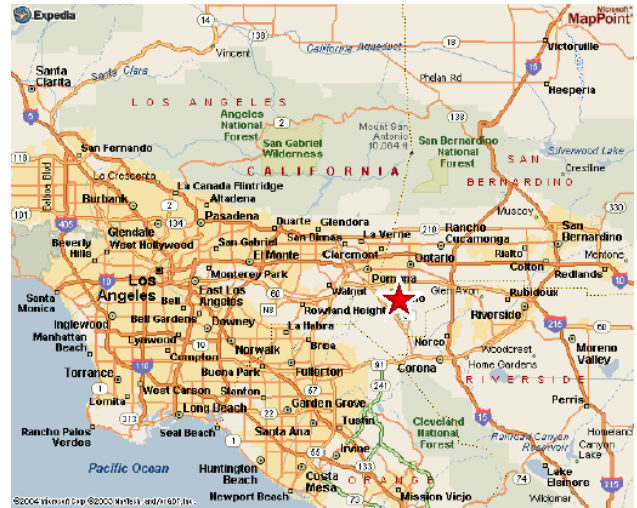
Agency: Corrections

Underused
Parcel: 400–500 acres

Total
Parcel: 2,242 acres

The property is currently used for prison purposes. The Department of General Services is currently in the process of selling 470 acres of surplus property at this site and there may be an additional 400-500 acres of land available for sale if the prison can be connected to the local sewer system, thereby eliminating the need for on-site sewage treatment, and if the outdoor firing range can be converted to an indoor facility.

Highest and best use would be for industrial or residential development. The location of the site is desirable with good freeway access. Continued eastward migration is creating strong demand for land and development throughout the Chino area.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$3.50–\$4.00	Price Per Square Foot: \$4.50–\$5.00
Price Per Acre: \$152,500–\$174,000	Price Per Acre: \$196,000–\$218,000
Total Value: \$61,000,000–\$87,000,000	Total Value: \$78,400,000–\$109,000,000
Comments: Surrounding properties have recently been entitled for industrial development. This community is receptive to continued industrial development.	Comments: Demand for entitled land would be strong since there is little supply of land for development in this area.



-PARTIALLY UNDERUTILIZED- PATTON STATE HOSPITAL

RP #: 794

Address: 3102 East Highland Avenue
San Bernadino, CA
San Bernardino County

Agency: Mental Health

Underutilized

Parcel: 102 acres

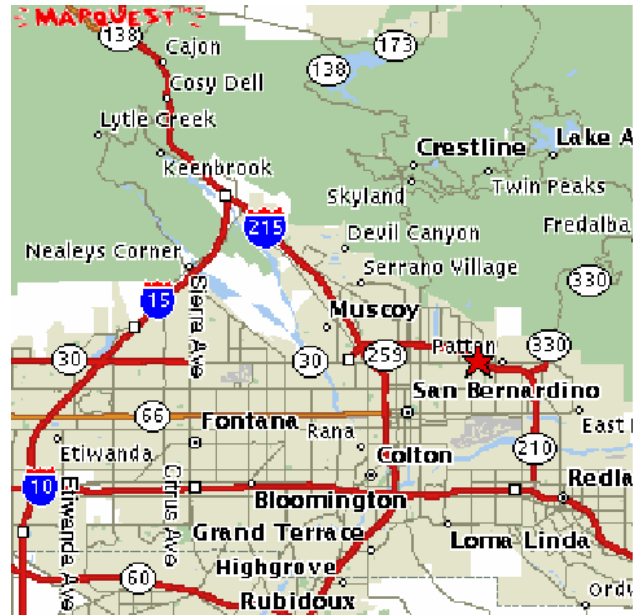
Total Parcel: 282 acres

Patton State Hospital is a psychiatric hospital for individuals committed by the judicial system.

Approximately 102 acres of the 282 acre property have been declared surplus by the legislature and are encumbered by two ground leases, one for 77 acres and the other for 25 acres.

General Services is in the process of terminating both leases. It is recommended that the sale of these 102 surplus acres be explored.

With the strength of the new housing market in San Bernardino county, it is likely that single family residential development would be the highest and best use for this property.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$3.50	Price Per Square Foot:	\$5.00
Price Per Acre:	\$152,000	Price Per Acre:	\$218,000
Total Value:	\$15,500,000	Total Value:	\$22,200,000



CALTRANS EL CAJON MAINTENANCE STATION

RP #: Not Applicable
 Address: Bostonia Maintenance Station
 1463 Broadway
 El Cajon, CA 92021
 San Diego County

Agency: CalTrans

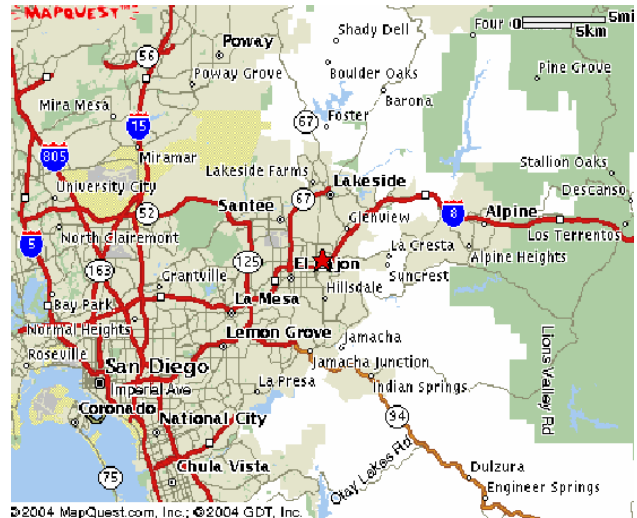
Parcel Size: 1.2 acres

This maintenance station is closed and currently used as a resident engineer's office.

Redevelopment in the vicinity is increasing, with a medium-density townhouse complex being constructed across the street.

Although currently zoned for single family use, the El Cajon General Plan may allow for medium density residential or mixed-use development.

Environmental remediation costs associated with the disposal of this property have not yet been adequately quantified. As such, these costs are not considered in the estimated market values listed below.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$11	Price Per Square Foot:	\$15
Price Per Acre:	\$500,000	Price Per Acre:	\$650,000
Total Value:	\$575,000	Total Value:	\$800,000



ESCONDIDO ARMORY

RP #: 866
 Address: California National Guard
 Armory
 304 East Park Avenue
 Escondido, CA 92025
 San Diego County
 Agency: Military
 Parcel Size: 5.1 acres

The site is currently used as an armory but it may be possible to close this facility and consolidate operations into the 17 acre armory site on Mesa College Drive in San Diego, located 26 miles to the south.

This property is surrounded by commercial retail and multi-family residential. Demographics for the area are lower income.

The site would allow multiple entrances/exits and represents a good location for new development. The likely alternative use for this site is multi-family residential development.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$7–\$8	Price Per Square Foot: \$10–\$12
Price Per Acre: \$305,000–\$350,000	Price Per Acre: \$435,000–\$525,000
Total Value: \$1,555,000–\$1,775,000	Total Value: \$2,220,000–\$2,665,000
	Comments: Demand for entitled residential land throughout San Diego County has been strong. This site might also accommodate mixed-use such as retail/commercial and residential.



SAN DIEGO STATE GARAGE

RP #: 692
 Address: San Diego State Garage
 345 West Ash
 San Diego, CA 92101
 San Diego County
 Agency: General Services
 Parcel Size: 1.13 acres

The state garage operation moved to a leased facility at 5878 Autoport Mall in 2000. This former state garage site is currently used for employee parking for the adjacent state building.

This is an excellent Downtown San Diego location surrounded by Ash, Union, State and "A" Streets which provide very good freeway access. The existing vehicle maintenance building is obsolete and not likely to have any value for future use.

The property is located on the same city block as the State-owned Transamerica building and is also adjacent to the San Diego State Building. Together these properties compose two complete city blocks.

There could be an opportunity for increased revenue by selling these properties as a package.

ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$185–\$200	Price Per Square Foot: \$230–\$250
Price Per Acre: \$8,000,000–\$8,700,000	Price Per Acre: \$10,000,000–\$10,900,000
Total Value: \$9,100,000–\$9,800,000	Total Value: \$11,300,000–\$12,300,000
Comments: Demand for land for downtown residential development is unprecedented. Under the latest proposed zoning for downtown, the floor area ratio may be as high as 18.	Comments: There would be strong competition to purchase this property as a fully entitled site due to strong demand for downtown residential.





TRANSAMERICA BUILDING

RP #: 9635

Address: Transamerica Building
1301 State Street
San Diego, CA 92101
San Diego County

Agency: General Services

Parcel Size: 0.23 acres

The existing office building has seismic concerns and is known to contain asbestos. This building is vacant and serves no state need.

This is an excellent Downtown San Diego location surrounded by Ash, Front and "A" Streets which provide very good freeway access.

The property is located on the same city block as the former State garage and is also adjacent to the San Diego State Building. Together these properties compose two complete city blocks. There could be an opportunity for increased revenue by selling these properties as a package.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$185–200	Price Per Square Foot: \$230–\$250
Price Per Acre: \$8,000,000–\$8,700,000	Price Per Acre: \$10,000,000–\$10,900,000
Total Value: \$1,840,000–\$2,000,000	Total Value: \$2,300,000–\$2,500,000
Comments: Demand for land for downtown residential development is unprecedented. Under the latest proposed zoning for downtown, the floor area ratio may be as high as 18.	Comments: There would be strong competition to purchase this property as a fully entitled site due to strong demand for downtown residential.



SAN DIEGO STATE BUILDING

RP #: 674
 Address: San Diego State Building
 1350 Front Street
 San Diego, CA 92101
 San Diego County
 Agency: General Services
 Parcel Size: 1.34 acres

The site is a full city block improved with a 170,000 square foot building used as administrative offices for state agencies. Built in 1963, the building has seismic concerns and is known to contain asbestos. Selling this property would require relocating the state agencies in the building. The actual relocation could be accomplished after the sale and interim possession of the building could be maintained through a leaseback agreement.

This is an excellent Downtown San Diego location surrounded by Ash, Front and "A" Streets with good freeway access.

The property is located adjacent to the State-owned Transamerica building and the former state garage, which, together comprise another complete city block. There could be an opportunity for increased revenue by selling these properties as a package.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$185–\$200	Price Per Square Foot: \$230–\$250
Price Per Acre: \$8,000,000–\$8,700,000	Price Per Acre: \$10,000,000–\$10,900,000
Total Value: \$10,800,000–\$11,700,000	Total Value: \$13,400,000–\$14,600,000
Comments: Demand for land for downtown residential development is unprecedented. Under the latest proposed zoning for downtown, the floor area ratio may be as high as 18.	Comments: There would be strong competition to purchase this property as a fully entitled site due to strong demand for downtown residential.



SAN DIEGO DMV FIELD OFFICE

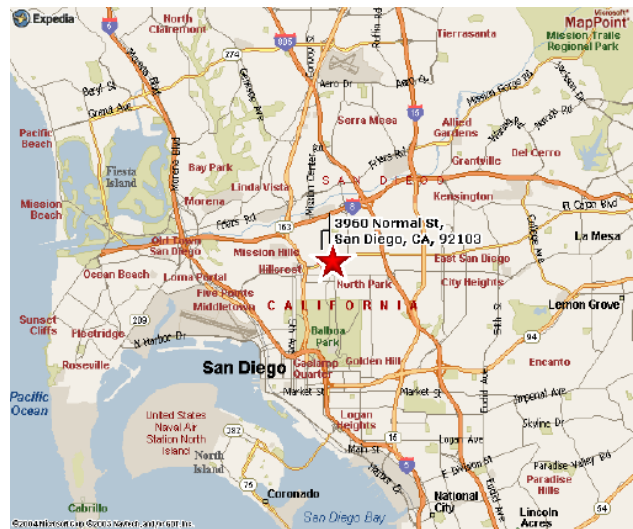
RP #: 889
 Address: DMV Field Office
 3960 Normal Street
 San Diego, CA 92103
 San Diego County

Agency: Motor Vehicles

Parcel Size: 2.48 acres

The site is improved with a 14,000 square foot Department of Motor Vehicle Field Office built in 1988. Sale of this parcel would require relocation of this facility into a new stand alone location or consolidation with one of the other Department of Motor Vehicles field offices in San Diego.

The site is located in the midst of dense multi-family development and some retail commercial. Freeway access is very good and location is in the path of growth of the "Uptown" San Diego area.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$15–\$18	Price Per Square Foot: \$24–\$37
Price Per Acre: \$653,000–\$784,000	Price Per Acre: \$1,045,000–\$1,600,000
Total Value: \$1,620,000–\$1,945,000	Total Value: \$2,600,000–\$4,000,000
	Comments: Likely alternative highest and best use is residential multi-family. Residential land demand in Central San Diego is strong. the current DMV operation here generates a lot of traffic thus alternative uses might be considered more acceptable by members of the community.



STOCKTON STATE BUILDING

RP #: 676

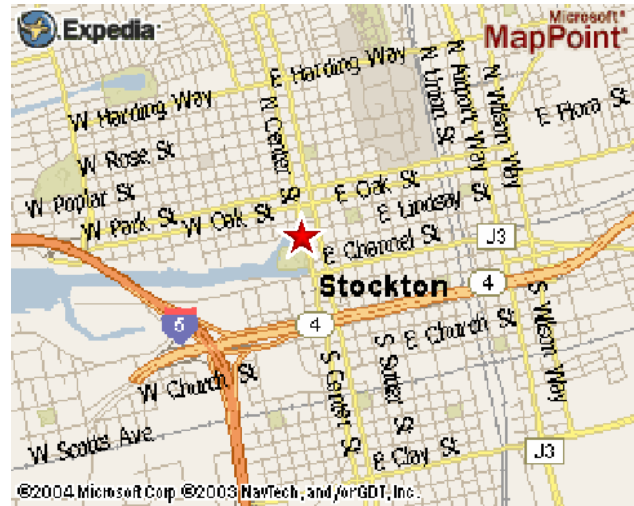
Address: 31 East Channel Street
Stockton, CA 95202
San Joaquin County

Agency: Department of General
Services

Parcel Size: 2.46 acres

The site is improved with a 62,000 square foot office building built in 1964 and is currently used for administrative offices for various state agencies. Disposal of the property will require the relocation of these agencies to another location. The facility is in poor condition and will require a complete renovation or demolition for reuse.

The waterfront site is well located in a redeveloping area of Downtown Stockton but the Stockton office market is small, thus investor interest might be limited. As redevelopment of Stockton's downtown continues, interest in the property will increase.



ESTIMATED VALUE

UNENTITLED PROPERTY (Land Only)		ENTITLED PROPERTY (Land and Building)	
Price Per Square Foot:	\$8.00	Price Per Square Foot:	\$30
Price Per Acre:	\$350,000	Price Per Acre:	\$1,300,000
Total Value:	\$850,000	Total Value:	\$3,200,000



-PARTIALLY UNDERUTILIZED- ATASCADERO STATE HOSPITAL

RP #: 788

Address: Atascadero State Hospital
1033 El Camino Real
Atascadero, CA 93422
San Luis Obispo County

Agency: Mental Health

Underused
Parcel: 319 acres

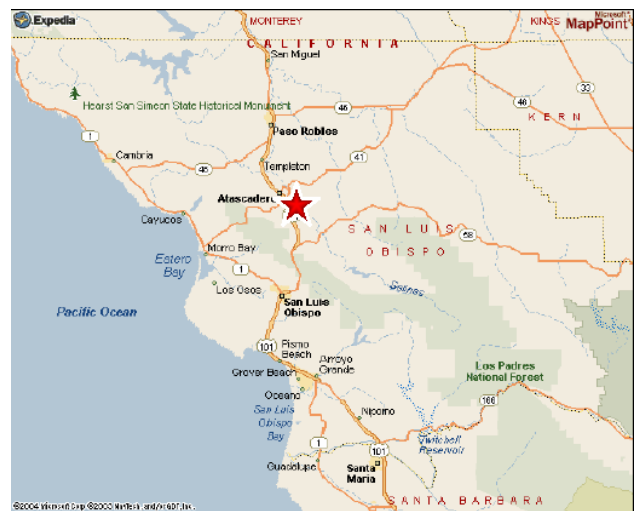
Total
Parcel: 653 acres

Atascadero State Hospital is an all male, maximum security, psychiatric hospital with a capacity of 1,239 beds.

There is a 319 acre agricultural lease that expires in 2005 and the property appears to be excess to the hospital's needs.

This property is located in the Atascadero area, which has experienced considerable growth in its residential base during the past ten years; retirement housing has been especially popular. Located reasonably close to the 101 Freeway, this site would provide good access and is well positioned in a growing area.

Obtaining an adequate water supply for new residential and commercial projects is a primary concern.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$0.34–\$0.46	Price Per Square Foot:	\$0.92–\$1.38
Price Per Acre:	\$15,000–\$20,000	Price Per Acre:	\$40,000–\$60,000
Total Value:	\$4,700,000–\$6,400,000	Total Value:	\$12,800,000–\$19,000,000



-PARTIALLY UNDERUTILIZED- CAMP SAN LUIS OBISPO

RP #: 871

Address: Camp San Luis Obispo
Highway 1
San Luis Obispo, CA 93403
San Luis Obispo County

Agency: Military

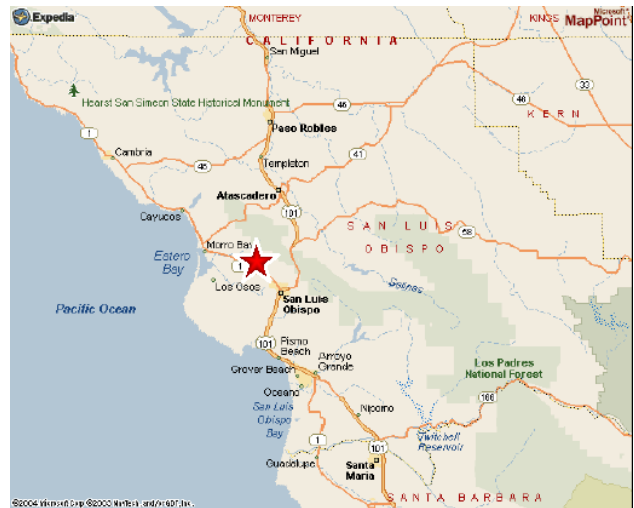
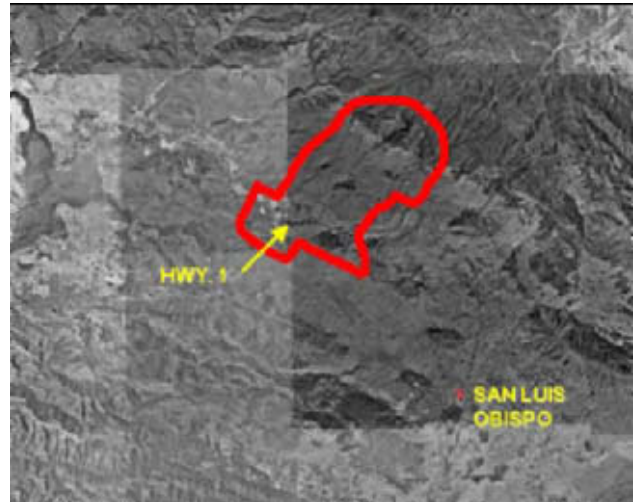
Underused
Parcel: 300 acres

Total
Parcel: 5,440 acres

Camp San Luis Obispo is currently used by the California National Guard. The western edge of the property is adjacent to Cuesta College, a local community college with about 11,000 students. There appear to be approximately 300 acres of underutilized state property directly across the road from the college that has residential development potential.

This large tract of land is along Highway 1, between San Luis Obispo and Morro Bay. The property could help address increasing demand for housing in the region.

Obtaining an adequate water supply for any new residential and commercial development is a concern.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$0.16–\$0.18	Price Per Square Foot:	\$0.35–\$0.46
Price Per Acre:	\$7,000–\$8,000	Price Per Acre:	\$15,000–\$20,000
Total Value:	\$2,000,000–\$2,400,000	Total Value:	\$4,600,000–\$6,000,000



EL PASO DE ROBLES SCHOOL

RP #: 1574

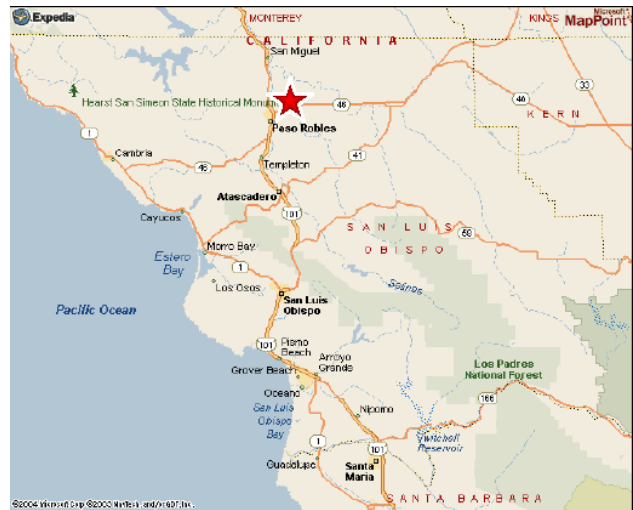
Address: El Paso de Robles Youth
Correctional Facility
4545 Airport Road
Paso Robles, CA 93446
San Luis Obispo County

Agency: Youth Authority

Parcel Size: 200 acres

This property is currently the site of a prison for youthful offenders. The ward population has declined from 847 in 1993 to 603 in 2002. The Corrections Independent Review Panel report published in June 2004 recommended that this facility be closed and the wards be transferred to the Ventura Youth Correctional Facility.

Should the facility be closed and the property sold, the expected reuse would be for industrial development. This property has a very good mid-coast location with easy freeway and airport access.



ESTIMATED VALUE

UNENTITLED PROPERTY (Land Only)	ENTITLED PROPERTY (Land and Building)
Price Per Square Foot: \$1.00–\$1.25	Price Per Square Foot: \$2.00–\$2.50
Price Per Acre: \$43,560–\$55,000	Price Per Acre: \$87,000–\$109,000
Total Value: \$8,700,000–\$11,000,000	Total Value: \$17,400,000–\$22,000,000
	Comments: The highest and best use for this site is likely to be industrial development.



AGNEWS DEVELOPMENTAL CENTER

RP #: 787
 Address: 3500 Zanker Road
 San Jose, CA
 Santa Clara County
 Agency: Developmental Services
 Parcel Size: 90 acres

The property is currently used to provide care for individuals with developmental disabilities. Since 1994, the number of patients at this facility has declined by half from 821 to 394. The Department has been directed to develop a plan to close the facility by July 2005 and to submit this plan to the Legislature for approval.

There are 37 buildings on the campus comprising about 600,000 square feet, with about 400,000 square feet used for residential occupancy, and the balance used for support services.

The site is located on the north edge of the city of San Jose, in the heart of the silicon valley.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$Cannot be estimated	Price Per Square Foot: \$45–\$57
Price Per Acre: \$Cannot be estimated	Price Per Acre: \$2,000,000–\$2,500,000
Total Value: \$Cannot be estimated	Total Value: \$175,000,000–\$225,000,000
Comments: The many unknowns preclude estimating the as-is value for this site. These include demolition costs of existing structures, restructuring the long term lease and energy purchase agreement for the on-site cogeneration plant, and potential environmental clean-up costs.	Comments: The highest and best use for the property is single and multifamily housing. These values will be less any costs associated with the sale and entitlements.



CALTRANS SAN JOSE—DE ANZA BOULEVARD

RP #: Not Applicable
 Address: De Anza Boulevard/
 Cleo Avenue
 San Jose, CA 95129
 Santa Clara County
 Agency: CalTrans
 Parcel Size: 0.7 acres

This property is in a commercial/industrial area of San Jose. This land-locked property was deemed excess in 1996. Interest in the property is likely to come from neighboring land owners.

Several years ago, attempts to sell this property were unsuccessful due to pricing considerations. Based on recent property appreciation in the area, efforts to find a buyer should be renewed.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$24.50–\$33.75	Price Per Square Foot:	\$24.50–\$33.75
Price Per Acre:	\$1,070,000–\$1,430,000	Price Per Acre:	\$1,070,000 –\$1,430,000
Total Value:	\$750,000–\$1,000,000	Total Value:	\$750,000–\$1,000,000



CALTRANS SAN JOSE—YERBA BUENA ROAD

RP #: Not Applicable
 Address: Yerba Buena Road/
 Lafayette Street
 San Jose, CA 95129
 Santa Clara County
 Agency: CalTrans
 Parcel Size: 1.3 acres

This property was deemed excess in 1998/1999. It is located in a commercial area and could be used as an office site.

A 2000 appraisal valued the property at just under \$3 million. This appraisal should be updated and efforts to identify a buyer renewed.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$43–\$53	Price Per Square Foot:	\$53–\$62
Price Per Acre:	\$1,900,000–\$2,300,000	Price Per Acre:	\$2,300,000–\$2,700,000
Total Value:	\$2,500,000–\$3,000,000	Total Value:	\$3,000,000–\$3,500,000



CALTRANS SAN FRANCISCO

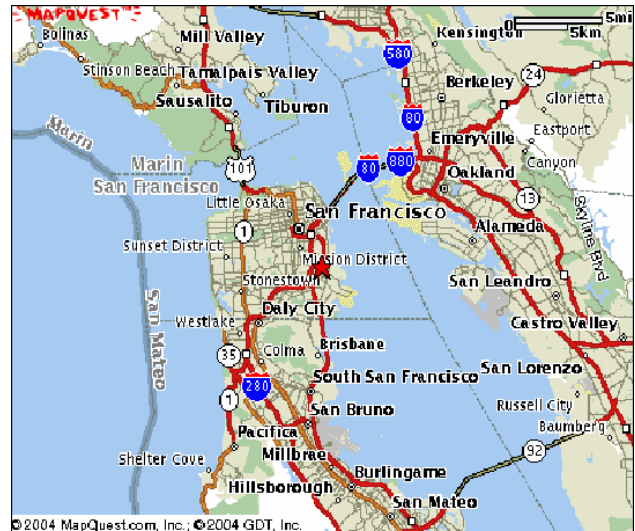
RP #: Not Applicable
 Address: 1900 Evans Avenue
 San Francisco, CA 94124
 San Francisco County

Agency: CalTrans

Parcel Size: 1 acre

This property is located in an industrial section of San Francisco along Highway 280. Neighboring uses include automotive recycling yards and related businesses.

Originally deemed excess in 1971, this property is leased to an auto wrecker for just over \$60,000 per year. CalTrans should update a former appraisal of the property and initiate negotiations with potential buyers.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$45.75–\$50.50	Price Per Square Foot:	\$45.75–\$50.50
Price Per Acre:	\$2,000,000–\$2,200,000	Price Per Acre:	\$2,000,000–\$2,200,000
Total Value:	\$2,000,000–\$2,200,000	Total Value:	\$2,000,000–\$2,200,000



SAN FRANCISCO PARKING

RP #: Not Applicable

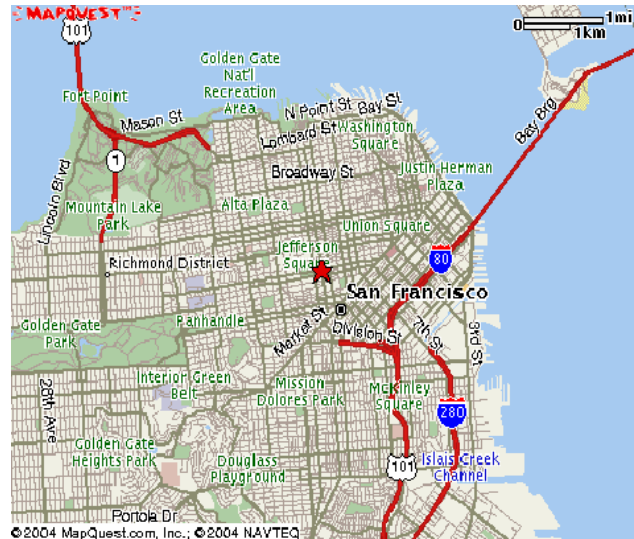
Address: Parking lot on the north side of Golden Gate Avenue between Gough and Franklin San Francisco, CA

Agency: General Services

Parcel Size: 0.3 acre

The Department of General Services is in the process of transferring state ownership of four small remnant properties to the City of San Francisco in exchange for a 12,000 square foot parcel next to an Employment Development Department office at 745 Franklin Street in San Francisco.

It is recommended that once the transfer with the city is complete that the state initiate sale of the 12,000 square foot parcel.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$150	Price Per Square Foot:	\$150
Price Per Acre:	\$6,500,000	Price Per Acre:	\$6,500,000
Total Value:	\$1,950,000	Total Value:	\$1,950,000



HEALDSBURG ARMORY

RP #: 812

Address: California National Guard
Armory
900 Powell Avenue
Healdsburg, CA 95448
Sonoma County

Agency: Military

Parcel Size: 2 acres

The Department of Military has recently identified this property as surplus to their needs.

The property is highly desirable and is in close proximity to an established residential area and a golf course.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$12	Price Per Square Foot:	\$17
Price Per Acre:	\$525,000	Price Per Acre:	\$750,000
Total Value:	\$1,050,000	Total Value:	\$1,500,000



— Exhibit B —

CATEGORY 2 Properties



State Owned High Value Property (Category 2)							As-Is Market Value Estimate		Fully Entitled Market Value Estimate	
Agency	County	Property Name	Address	Acres	Low	High	Low	High	Low	High
23rd DAA	Contra Costa	Contra Costa Country Fair	1201 West 10th Street, Antioch	75	\$16,300,000	\$16,300,000	\$36,000,000	\$45,750,000		
Science Center	Los Angeles	Memorial Coliseum and Sports Arena	3911 South Figueroa St., Los Angeles	152	\$240,000,000	\$320,000,000	\$370,000,000	\$400,000,000		
CalTrans	Los Angeles	710 Freeway Properties	Various (455 Properties)	NA	\$175,000,000	\$175,000,000	\$175,000,000	\$175,000,000		
Corrections	Marin	San Quentin Prison	Marin County	275	\$50,000,000	\$50,000,000	\$500,000,000	\$750,000,000		
25th DAA	Napa	Napa Town & Country Fair	575 Third Street, Napa	34	\$10,300,000	\$10,300,000	\$18,000,000	\$18,000,000		
Mental Health	Napa	Napa State Hospital (Partial)	2100 Napa Valley Highway, Napa	850	\$21,000,000	\$21,000,000	\$34,000,000	\$34,000,000		
32nd DAA	Orange	Orange County Fair	88 Fair Drive, Costa Mesa Blvd., Sacramento	190	\$150,000,000	\$175,000,000	\$225,000,000	\$250,000,000		
State Fair	Sacramento	State Fair (Partial)	Business 80 & Exposition Blvd., Sacramento	854	\$52,000,000	\$52,000,000	\$130,500,000	\$130,500,000		
22nd DAA	San Diego	Del Mar Fair	2260 Jimmy Durante Blvd., Del Mar	406	\$355,000,000	\$885,000,000	\$530,000,000	\$1,400,000,000		
1-A-DAA	San Francisco/San Mateo	Grand National Rodeo, Horse & Stock Show	Genewa Ave & Santos St., Daly City	59	\$45,000,000	\$50,000,000	\$60,000,000	\$77,000,000		
19th DAA	Santa Barbara	Santa Barbara Fair & Expo	3400 Calle Real, Santa Barbara	34	\$30,000,000	\$30,000,000	\$45,000,000	\$45,000,000		
31st DAA	Ventura	Ventura County Fair	10 West Harbor Blvd., Ventura	63	\$55,000,000	\$55,000,000	\$110,000,000	\$110,000,000		
Totals				2,992	\$1,199,600,000	\$1,839,600,000	\$2,233,500,000	\$3,435,250,000		



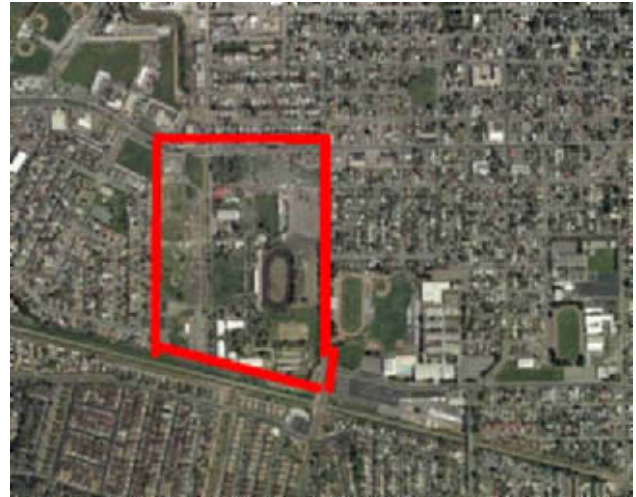
CONTRA COSTA FAIRGROUNDS

RP #: 66
 Address: 1201 West 10th Street
 Antioch, CA
 Contra Costa County
 Agency: 23rd District
 Agricultural Association
 Parcel Size: 75 acres

The existing fair improvements include a grandstand, indoor roller-skating rink, and exhibition space.

The fairgrounds are located in an older residential section of town developed in the 1950s and 1960s. Nearby existing homes are being sold for \$300-\$350,000; the highest and best use is likely to be a medium to high density residential development. New homes in nearby developments are selling for \$400-\$500,000.

It is recommended that a master land use plan and an economic analysis be done for this property to determine if the fair operation can be reconfigured on the site to allow continued operation of the fair and redevelopment of a portion of the site for housing.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$5	Price Per Square Foot:	\$11-\$14
Price Per Acre:	\$218,000	Price Per Acre:	\$480,000-\$610,000
Total Value:	\$16,300,000	Total Value:	\$36,000,000-\$45,750,000



MEMORIAL COLISEUM AND SPORTS ARENA

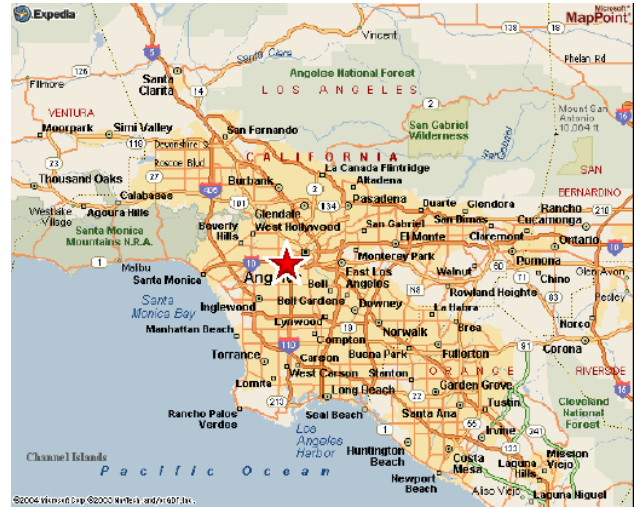
RP #: Not Applicable

Address: The Los Angeles Memorial Coliseum and Sports Arena
3911 South Figueroa Street
Los Angeles, CA 90037
Los Angeles County

Agency: Science Center

Parcel Size: 152 acres

The entire site is commonly referred to as the California Science Center. Approximately 30 acres of the site is taken up by the Los Angeles Memorial Coliseum and Sports Arena. This portion of the property does not directly serve a state program need and is leased to the Los Angeles Memorial Coliseum Commission through a ground lease. Negotiations are underway between the parties on an option to extend the ground lease through 2055. Based on a conservatively estimated ten percent capitalization rate on anticipated ground lease income of \$2.6 million a year, beginning in 2006, the 30 acre parcel would have a value of approximately \$26 million. The vast majority of the site is currently zoned OS-1XL, which allows only open space uses. The surrounding land is zoned C2-1L. The C2 zone allows a variety of commercial uses as well as residential uses—



requiring at least 400 square feet of land area per residential unit.

Residential demand would drive any re-development. Zoning change would require amendment to General Plan and would be a complicated and lengthy process. There have not been any sales of large parcels similar to this in a long time. This parcel would probably have to be sold in sections due to high dollar amount of its total value. This would be an unprecedented property sale.

ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$40–\$55 (excluding Coliseum)	Price Per Square Foot:	\$65–\$70 (excluding Coliseum)
Price Per Acre:	\$1,750,000–\$2,400,000 (excluding Coliseum)	Price Per Acre:	\$2,800,000–\$3,000,000 (excluding Coliseum)
Total Value:	\$240,000,000–\$320,000,000 (including Coliseum)	Total Value:	\$370,000,000–\$400,000,000 (including Coliseum)



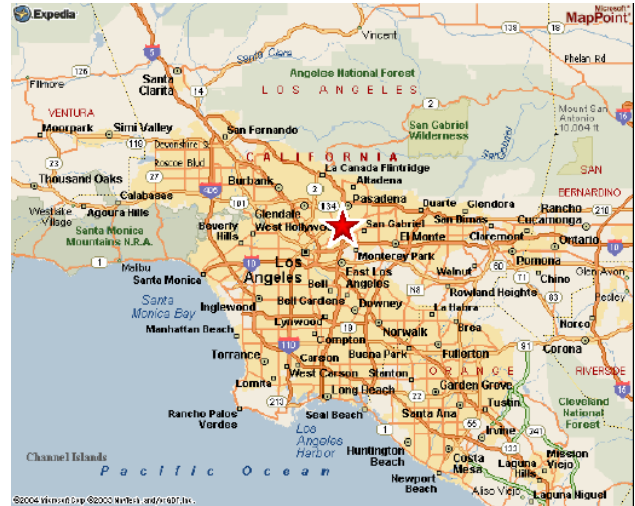
CALTRANS 710 FREEWAY PROPERTIES

RP #: Not Applicable
 Address: 710 Freeway Properties
 Pasadena, CA
 South Pasadena, CA
 El Sereno, CA
 Los Angeles County
 Agency: CalTrans
 Parcel Size: Not Applicable

This portfolio consists of 455 properties, mostly single family homes, acquired 20 to 25 years ago for the Long Beach (710) Freeway Extension project. There is strong local opposition to the freeway and the project has been indefinitely delayed in the environmental impact report phase.

The total market value of these properties is estimated at \$175 million but state law must be amended to allow sale at fair market value.

If the freeway project is cancelled and the properties sold subject to the existing state law allowing below market value sales to the current tenants, the expected sales proceeds are estimated to be \$32 million, this represents a state subsidy of over \$300,000 per property.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$NA	Price Per Square Foot:	\$NA
Price Per Acre:	\$NA	Price Per Acre:	\$NA
Total Value:	\$175,000,000	Total Value:	\$175,000,000



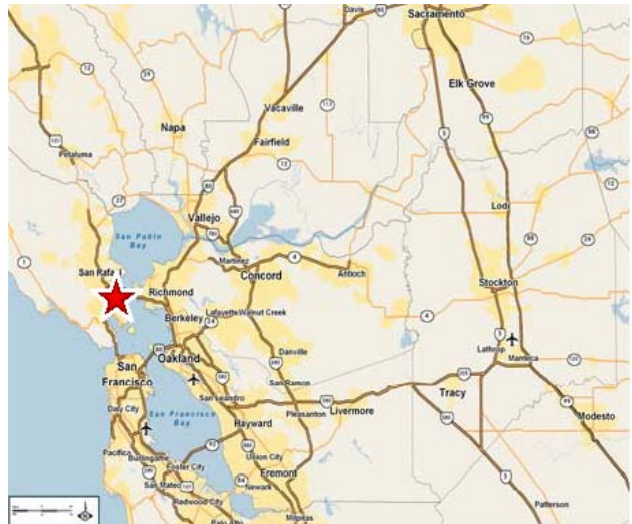
SAN QUENTIN STATE PRISON

RP #: 52
 Address: San Quentin, CA
 Marin County
 Agency: Department of Corrections
 Parcel Size: 275 acres

San Quentin Prison is located in Marin County on 275 acres of premier waterfront property with commanding views of the San Francisco Bay. The facility lies at the intersection of Highway 101 and Interstate 580.

The site provides a unique opportunity for the state to help address fundamental regional issues such as transportation and housing. Depending on the level of redevelopment of the site permitted by local zoning officials and the resultant value of the property, it may be possible to redevelop the property and to use the land sales proceeds to relocate to another lower cost location at a net savings to the state.

The rezoning and entitlements provided by Marin County would be the single greatest factor determining the potential reuse and market value of the property. In addition, the age of the on-site buildings would require a comprehensive historic assessment and environmental review. The highest and best use is as mixed-use development anchored by residential property.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$4.00	Price Per Square Foot:	\$46.00–\$64.00
Price Per Acre:	\$180,000	Price Per Acre:	\$2,000,000–\$2,800,000
Total Value:	\$50,000,000	Total Value:	\$500,000,000–\$750,000,000



NAPA TOWN AND COUNTRY FAIR

RP #: 69
 Address: 575 Third Street
 Napa, CA
 Napa County
 Agency: 25th District Agricultural
 Association
 Parcel Size: 34 acres

This property is used for the annual Napa Town and Country Fair. A master plan for the site should be done to determine if some of the property can be freed up for reuse or another alternative is to consolidate this facility with the Napa County Fair in Calistoga.

The property is located in a prime downtown Napa location. The highest and best use for the property is mixed use, retail, residential and office. This property lies within the Napa urban growth boundary and represents an excellent infill opportunity.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$7	Price Per Square Foot:	\$12
Price Per Acre:	\$305,000	Price Per Acre:	\$525,000
Total Value:	\$10,300,000	Total Value:	\$18,000,000

**-PARTIALLY UNDERUTILIZED-
NAPA STATE HOSPITAL**

RP #: 793

Address: 2100 Napa Vallejo Highway
Napa County, CA 94558

Agency: Mental Health

Underused

Parcel: 850 acres

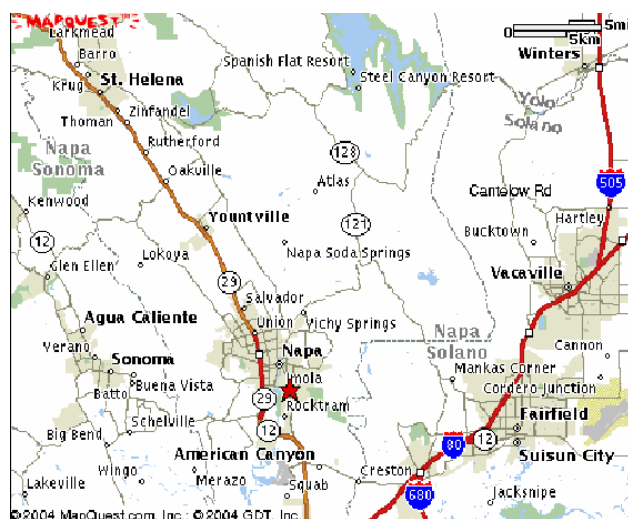
Total

Parcel: 1370 acres

This facility once encompassed well over 2,000 acres. During the 1960s and 1970s hundreds of acres were transferred to the City of Napa and now comprise Napa Valley College and neighboring parkland.

Currently, approximately 850 acres of this facility is leased to the City of Napa for park purposes until 2030 for \$100 per year. The remaining 500 acres are occupied by the state hospital.

A master development plan for the entire site should be prepared that meets the future needs of both the state and the community. In addition, the current lease arrangement should be reevaluated and possibly renegotiated.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$0.57	Price Per Square Foot:	\$0.92
Price Per Acre:	\$25,000	Price Per Acre:	\$40,000
Total Value:	\$21,000,000	Total Value:	\$34,000,000



ORANGE COUNTY FAIR

RP #: 77

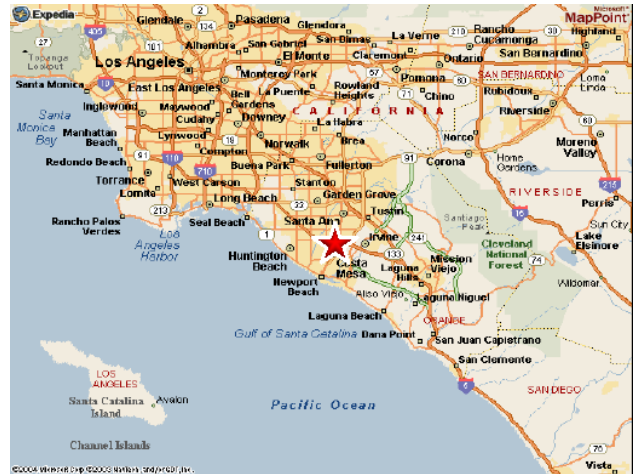
Address: Orange County Fair &
Exposition Center
88 Fair Drive
Costa Mesa, CA 92626
Orange County

Agency: 32nd District Agricultural
Association

Parcel Size: 190 acres

This site is well located in the coastal community of Costa Mesa. It is adjacent to the 55 Freeway and surrounded by Fairview Road, Arlington Drive and Fair Drive providing easy access to major thoroughfares. The site currently is home to Centennial Farm (a 4-acre educational farm), an Equestrian Center, Fairgrounds, Exposition Center and the Pacific Amphitheatre.

One potential land use alternative is to move the Orange County Fair from its current location to the former El Toro Marine Air Station, which is about 10 miles away. Another alternative is to do a master land use plan on the existing site to determine if the site can be utilized more efficiently to free up some of the property for redevelopment while continuing the fairgrounds operation on the site.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$18–\$21	Price Per Square Foot: \$27–\$30
Price Per Acre: \$800,000–\$900,000	Price Per Acre: \$1,200,000–\$1,300,000
Total Value: \$150,000,000–\$175,000,000	Total Value: \$225,000,000–\$250,000,000
	Comments: There would be unprecedented demand for a residential development opportunity in this central, in-fill Orange County location. Expected maximum density would be 13 homes per acre with 20%-25% land give-backs for city use and/or recreation.



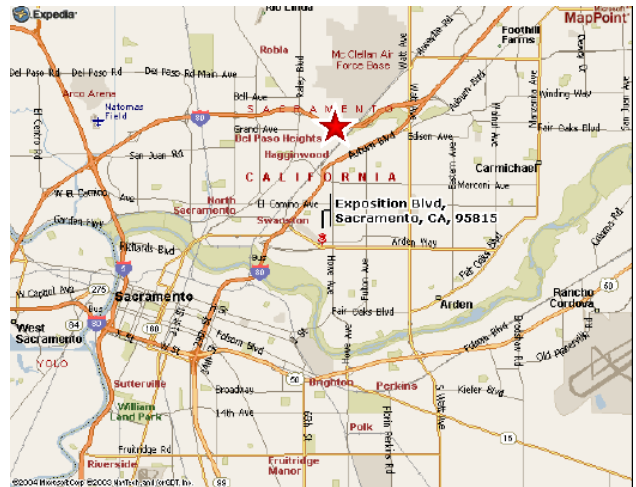
CALIFORNIA EXPOSITION AND STATE FAIR

RP #: 147
 Address: Business 80 Freeway &
 Exposition Boulevard
 Sacramento, CA
 Sacramento County
 Agency: State Fair & Exposition
 Parcel Size: 854 acres

It is recommended that a master land use plan and an economic analysis be done to determine if the fair operation can be reconfigured on the site to allow its continuing operation with redevelopment of portions of the property.

Minutes from downtown Sacramento, this property has excellent commercial potential with freeway exposure along Business 80 and easy access at the Cal Expo interchange. A well-established office park, regional shopping mall, and successful high-density residential apartments are in the vicinity.

Due to its size and location, this property is ideal for a mixed-use infill development. This could include big box retail, office space, and high-density residential. To maximize value, the project should center on for sale residential units. Demand should be strong for such a project – especially with the added amenity of living near the American River Corridor with its recreation offerings and lush riparian areas.



ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$3.50	Price Per Square Foot:	\$8.75
Price Per Acre:	\$150,000	Price Per Acre:	\$381,000
Total Value:	\$52,000,000	Total Value:	\$130,500,000
The estimated value reflects only 342 acres of this property deemed developable. The balance of the land is within the American River flood plain.		Commercial: 70 acres at \$350,000 per acre. Office: 30 acres at \$300,000 per acre. Residential: 242 acres at \$400,000 per acre.	



DEL MAR FAIRGROUNDS

RP #: 65

Address: The Del Mar Fairgrounds
2260 Jimmy Durante Blvd.
Del Mar, CA 92014
San Diego County

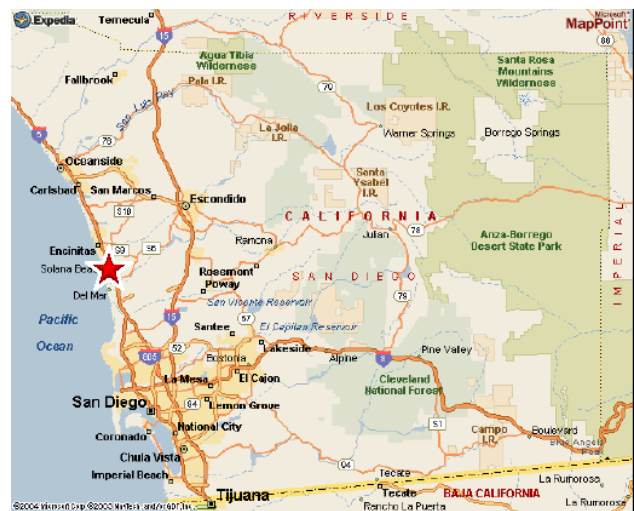
Agency: 22nd District Agricultural
Association

Parcel Size: 406 acres

This property, located on the Pacific Ocean in North San Diego County, is perhaps the state's most valuable commercially used property. It is recommended that a master land use plan and economic analysis be done to determine the property's highest and best use and whether any portion of the property can be redeveloped for alternate uses while continuing operation of the existing facilities.

During the summer months, this site generates tremendous traffic which has resulted in significant local concern. The horse racing track on the property is encumbered by a lease agreement with the Del Mar Thoroughbred Club (DMTC) through 2009.

There is bond debt on the property of approximately \$41 million that is scheduled to be retired in 2013. At expiration of the lease with DMTC in 2009, the remaining bond debt will be about \$12.5 million.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$20–\$50	Price Per Square Foot: \$30–\$80
Price Per Acre: \$870,000–\$2,200,000	Price Per Acre: \$1,307,000–\$3,500,000
Total Value: \$355,000,000–\$885,000,000	Total Value: \$530,000,000–\$1.4 Billion

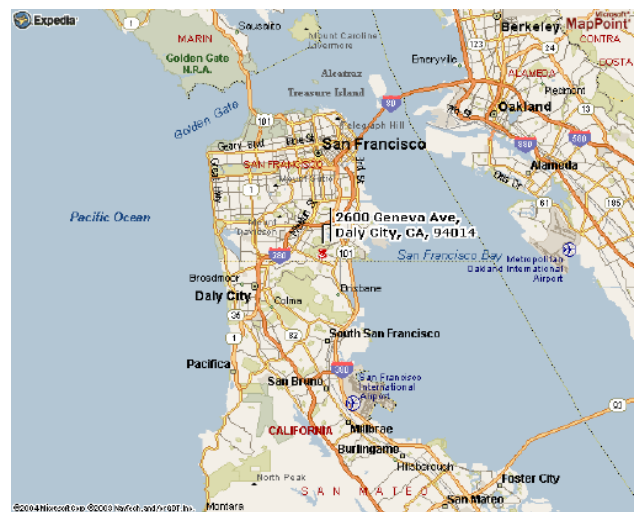


GRAND NATIONAL RODEO/HORSE & STOCK SHOW (COW PALACE)

RP #: 53
 Address: Cow Palace
 Geneva Avenue/Santos Street
 Daly City, CA 94134
 San Mateo/San Francisco
 Agency: 1-A District Agriculture Assoc.
 Parcel Size: 59 acres

The Cow Palace is currently used as an exhibit hall/convention center for a variety of community uses. There is one main concrete structure consisting of approximately 400,000 square feet which accommodates the above uses. The remainder of this site has multiple support buildings surrounding the main structure. The parking area surrounding the buildings is extensive and well lit.

The structures are at least 50 years old. Seismic concerns have been raised surrounding this property.



ESTIMATED VALUE

UNENTITLED PROPERTY	ENTITLED PROPERTY
Price Per Square Foot: \$17.50–\$20.00	Price Per Square Foot: \$25.00–\$30.00
Price Per Acre: \$760,000–\$870,000	Price Per Acre: \$1,000,000–\$1,300,000
Total Value: \$45,000,000–\$50,000,000	Total Value: \$60,000,000–\$77,000,000
	Comments: Given the tight market for housing and developable land, this property would generate tremendous interest.



SANTA BARBARA FAIR & EXPO

RP #: 61
 Address: Santa Barbara Fair & Expo
 3400 Calle Real
 Santa Barbara, CA 93105
 Santa Barbara County
 Agency: 19th District Agricultural
 Association
 Parcel Size: 34 acres

This property is situated fronting the Ventura (101) Freeway at the Las Positas Road off ramp in Central Santa Barbara. Its facilities include an exhibit building, main hall, arena, stables, equestrian area, garden, parking and off-track betting center. The highest and best use is likely mixed use with hotel, convention center and condominiums or apartments, single-family residences, and office buildings. This fairground is in addition to the County fair located in Santa Maria.

The Santa Barbara Fair and Expo and Ventura County fair are located on the coast approximately 27 miles apart.

It is recommended that consolidation of these facilities be explored and that if viable one of the properties sold. Another second alternative is to



prepare a master land use plan for the site to determine if the fair operation can be reconfigured to free up a portion of the sites for redevelopment.

With absolute minimal land opportunities in Santa Barbara, this site would see a high level of interest and demand.

ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$20	Price Per Square Foot:	\$30
Price Per Acre:	\$870,000	Price Per Acre:	\$1,300,000
Total Value:	\$30,000,000	Total Value:	\$45,000,000



VENTURA COUNTY FAIR

RP #: 76
 Address: Ventura County Fair
 10 West Harbor Blvd.
 Ventura, CA 93001
 Ventura County
 Agency: 31st District Agricultural
 Association
 Parcel Size: 63 acres

The Ventura County Fair and the Santa Barbara Fair and Expo are located on the coast approximately 27 miles apart. It is recommended that consolidation of these facilities be explored and that if viable one of the properties sold. Another second alternative is to prepare a master land use plan for the site to determine if the fair operation can be reconfigured to free up a portion of the sites for redevelopment.

The coastal location of this property makes this an absolutely premier site. The "Seaside Park" Property is situated fronting the Pacific Ocean on the South bounded by the Ventura River on the west and Ventura (101) Freeway on the north.

The Property is improved with numerous older buildings and areas that support the County Fair and a wide variety of other events including



concerts, car racing, swap meets, and equestrian activities. A newer three-story off-track betting center "the Derby Club" is also on the property. Its highest and best use is likely mixed use with resort hotel/convention center and luxury high density condominiums – all with ocean and/or mountain views.

ESTIMATED VALUE

UNENTITLED PROPERTY		ENTITLED PROPERTY	
Price Per Square Foot:	\$20	Price Per Square Foot:	\$40
Price Per Acre:	\$870,000	Price Per Acre:	\$1,700,000
Total Value:	\$55,000,000	Total Value:	\$110,000,000

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